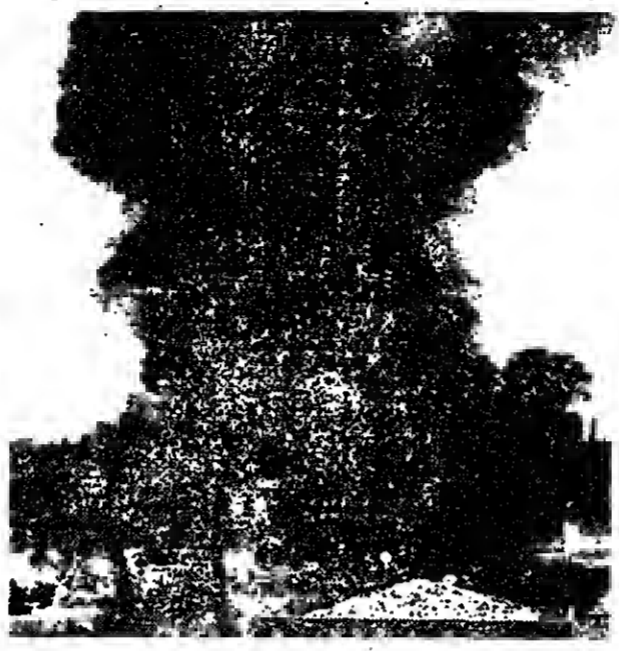


War again in Cyprus as Turks strengthen grip

They last night controlled most of the eastern third of Cyprus after its had launched air, artillery and attacks in the early morning, two after peace talks collapsed in va. Turkish tanks were advancing on Famagusta. The United Nations announced that a ceasefire had been

agreed in Nicosia alone, but even there firing was still being reported. Reuter said the Turks had reached Nicosia airport, but had not tried to take it from the United Nations forces holding it. Greece responded to the Turkish attack by withdrawing its armed forces from the North Atlantic Treaty Organization. The Security Council met and ordered

an immediate ceasefire in Cyprus, calling for a resumption of peace negotiations in Geneva. In Ankara, Mr Ecevit, the Turkish Prime Minister, said his service commanders had assured him that the military operation would be completed in a very short time. He did not believe the conflict would lead to all-out war

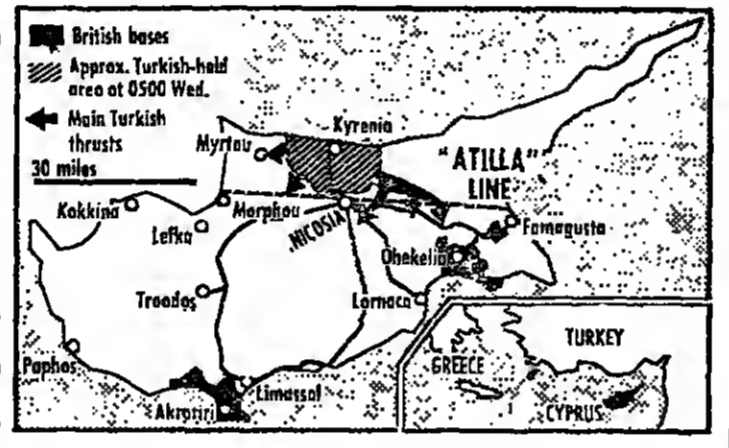


Under Turkish attack: Greek Cypriot soldiers take cover from a mortar barrage; a column of smoke rises after a rocket strike from the air.

Turks' onslaught is aimed at cutting off northern third of island from Greek control

Other strike against UN positions, four British soldiers were injured. By midday shelling ringed the capital, Turkish jets dived on Greek positions around the airport and along the Myrtou and Kythrea roads. There were also a series of air strikes on Greek artillery positions along the Larnaca and Limassol roads. Elsewhere in the island fighting broke out between Greek and Turkish Cypriots at Kokkina and Larnaca where the Turks have sizable enclaves. Both villages are about 45 miles west of Nicosia and had been reinforced after the Turkish landing. Just before midday a Turkish jet fighter fired rockets at the Nicosia Hilton hotel which is being used as a centre for the International Red Cross. Since early morning Greek Cypriot families have converged on the hotel for protection. Windows were shattered as the rockets exploded in the front courtyard but there were no casualties. A huge white sheet with a Red Cross painted on it had earlier been spread out on the roof of the hotel. In the first wave of air strikes the Turks bombed and strafed National Guard and police headquarters, the radio station and the fringes of Nicosia airport. Another target was the Nicosia psychiatric hospital, where 28 patients were injured. The hospital was bombed by the Turks in the early days of their invasion and 30 patients were injured. Three Austrians with the UN force were killed when the Turks mistakenly bombed the Turkish village of Goshi on the Nicosia-Larnaca road. In an-

other strike against UN positions, four British soldiers were injured. By midday shelling ringed the capital, Turkish jets dived on Greek positions around the airport and along the Myrtou and Kythrea roads. There were also a series of air strikes on Greek artillery positions along the Larnaca and Limassol roads. Elsewhere in the island fighting broke out between Greek and Turkish Cypriots at Kokkina and Larnaca where the Turks have sizable enclaves. Both villages are about 45 miles west of Nicosia and had been reinforced after the Turkish landing. Just before midday a Turkish jet fighter fired rockets at the Nicosia Hilton hotel which is being used as a centre for the International Red Cross. Since early morning Greek Cypriot families have converged on the hotel for protection. Windows were shattered as the rockets exploded in the front courtyard but there were no casualties. A huge white sheet with a Red Cross painted on it had earlier been spread out on the roof of the hotel. In the first wave of air strikes the Turks bombed and strafed National Guard and police headquarters, the radio station and the fringes of Nicosia airport. Another target was the Nicosia psychiatric hospital, where 28 patients were injured. The hospital was bombed by the Turks in the early days of their invasion and 30 patients were injured. Three Austrians with the UN force were killed when the Turks mistakenly bombed the Turkish village of Goshi on the Nicosia-Larnaca road. In an-



20,000 refugees flee Famagusta raids

Most of the town's 20,000 Greek Cypriots fled as the Turkish attack became imminent. Many sheltered under trees on the outskirts of the British base area further south. Only the National Guard remained to fight a fierce mortar, artillery and machine gun battle with the Turkish Cypriot fighters entrenched in the old walled city. The Turks had already made it known that Famagusta would be one of their targets should a new round of hostilities open. They have made it clear that they wish to carve a Turkish area on the north of the island north of a line between Famagusta in the east and Morphou in the west. The Turkish air attacks on the town were concentrated on the waterfront and the southern port area where there are key Greek Cypriot installations.

Continued on page 4, col 8

Shares slide follows profit fall by Unilever

Nearly £64m was wiped from the stock market value of Unilever Ltd yesterday as share prices plunged yet again. After announcing disappointing profit figures, the large food and detergents group saw its price slump from 255p to 220p by the close of dealings. The market value of the group's Dutch arm, Unilever NV, fell by £10.5m. Unilever's collapse led the way for other shares and the Financial Times 30-share index fell by 10 points to 214.3, its lowest point since February, 1959. Other leading shares to reach new low levels included ICI, Courtauld's, Beecham Group and British American Tobacco. The stock market had been expecting Unilever to turn in higher second quarter profits, although not as high as the 31 per cent increase in the first quarter. In the event, the combined profits of the British and Dutch operations emerged 7 per cent down at £89.8m. Business News, page 15

Index-linked mortgage in Liberal plans to assist home-buyers

By Our Political Staff
The main elements of Liberal election strategy became evident yesterday. Mr Jeremy Thorpe announced that he was taking a hovercraft for an intensive pre-election tour of holiday resorts in England and Wales, beginning at the end of August. He said the party manifesto would be published about August 28 whether an election had been announced by then or not. His main proposals would be new schemes to help the first-time home buyer and to ease Britain's economic troubles. The first hovercraft tour will take Mr Thorpe round the coasts of Devon and Cornwall from August 25 to 30. He will be accompanied by Mr Parson, MP for Cornwall North, and by Mr Tyler, MP for Bodmin. On September 2 he will visit the Isle of Wight and South Coast constituencies with Mr Ross, MP for the Isle of Wight, and Mr Mayhew. On September 6 he will go along the north-

Princess honoured for Mall bravery

Princess Anne, who is 24 today, has been honoured by the Queen for her "calm and brave" behaviour when an attempt was made to kidnap her in March. Captain Mark Phillips, her husband, also gets an award for his "excellent conduct" during the incident in The Mall. The Princess, it was announced yesterday, has been appointed a Dame Grand Cross of the Royal Victorian Order and Captain Phillips a commander of the order. Miss Rowena Brasse, the lady-in-waiting who was in the royal car at the time, becomes a member (fourth class). The George Cross has already been awarded to Inspector James Beaton, Princess Anne's personal detective, who was wounded in The Mall; and other policemen and passers-by who intervened have received medals. A Buckingham Palace announcement yesterday said: "The Queen is taking the opportunity of Princess Anne's twenty-fourth birthday to show her appreciation and to express her admiration of the Princess's calm and brave behaviour throughout the incident in The Mall last March. The Queen also wishes to recognize the excellent conduct of Captain Mark Phillips and Miss Rowena Brasse. Awards in the Royal Victorian Order are made personally by the Queen and are given for services to the Sovereign and members of her family. The Princess will have GCVO after her name, and Captain Phillips CVO. Princess Anne is the fifth royal lady to be a Dame Grand Cross. The others are Princess Margaret, Princess Alice, Duchess of Gloucester, Princess Alexandra and Princess Alice, Countess of Athlone. The Princess and her husband are staying with friends in Ayrshire and attending riding events in the area. The Queen, the Duke of Edinburgh, Prince Andrew and Prince Edward arrive at Epsom Racecourse today for their summer holiday. They will be joined later by the Prince of Wales and it is expected that Princess Anne and Captain Phillips will spend a few days at the castle.

47 killed in Caribbean air crash

Caracas, Aug 14.—A Venezuelan airliner today crashed into a hill on the Caribbean island of Margarita, killing 47 of the 48 people on board, it was announced. The only survivor was the copilot of the Aeropostal Vickers Viscount turbo-prop airliner, Señor Ivan Magallanes, who was taken to hospital. An official source said the other 44 passengers and three crew died when the four-engined aircraft crashed in a vertical dive six miles from Porlamar airport and burst into flames.—Reuter.

Rock kills Briton on Eiger west face

Griedelwald, Aug 14.—Mr David Knowles, aged 27, was killed yesterday when he was struck by a falling rock on the Eiger in the Beresee Oberland. Mr Knowles was participating in filming on the west face of the mountain.—AFP.

Yard hunt for London airport saboteur

By Clive Borrell
Scotland Yard detectives and investigators of the British Airports Authority have begun a search at Heathrow airport, London, for a saboteur who has tried to wreck two airliners. Both aircraft, Boeing 707s, belonging to Nigeria Airways, have been seriously tampered with during maintenance and servicing at the airport. All other airlines using Heathrow's servicing and maintenance facilities have told their own security staff to double-check employees' background references and the work they do.

Every aircraft maintenance man at Heathrow has been interviewed and shown two pieces of metal which, the police say were deliberately secreted behind secondary air inlet doors of the turbofan engines. One piece was six inches square and U-shaped, and the other was only about 2 1/2 inches long. Both, however, were placed in such a position that they would have been sucked into the engines as the aircraft reached full thrust before take-off. The first sabotage attempt was discovered on July 4 by ground test crew while they were giving Boeing SN-ABK a full thrust examination before allowing it to return to schedule service. As the engine came up to full thrust there was a muted explosion. Examination showed that a small piece of steel had been sucked through the turbine. On July 12 the aircraft's sister, Boeing SN-ABJ, was found to have been tampered with only a few minutes before engineers were to switch on and rev up the turbines. Again a piece of metal had been left deliberately behind the secondary air inlet doors and would have been sucked into the turbines at a time of full thrust.

Ecevit says end will be quick

By Our Diplomatic Staff
Britain will not get directly involved in the Cyprus fighting on her own, Mr Callaghan, the Foreign Secretary, said last night. Asked on the BBC's nine o'clock television news if unilateral action was a possibility, he said: "I think not, indeed, I would say certainly not unless of course our sovereign bases were attacked. We have been very ready to give assistance to the United Nations in order to deter armed attack by any of the powers. We have fulfilled our responsibilities to the United Nations in that way, but there is no prospect of British unilateral action. That would make the situation even more confused, and worse." Asked what action Britain would take as a guarantor power of the Cyprus treaty, Mr Callaghan said: "The guarantors are empowered and responsible for consulting with each other if there is any danger to the integrity of the island, as indeed there has been." They were also responsible for taking action to defend that integrity, but what kind of action was not specified. "In my judgment the best action is the action we have taken for six days, trying to get the people

Mr Callaghan rules out unilateral action

concerned around the conference table to hammer out a solution." The next moves towards ending the fighting in Cyprus were discussed by Mr Callaghan and Dr Kurt Waldheim, Secretary-General of the United Nations, when the Foreign Secretary returned to London on an RAF flight yesterday. Diplomatic efforts having failed so completely, there seemed to be little opportunity of a new initiative succeeding. Dr Waldheim, who later called on Mr Wilson at 10 Downing Street, is understood to favour a further meeting of the Security Council. Mr Wilson had broken his holiday in the Scilly Isles to fly back to London for urgent discussions following the breakdown of the Geneva conference. Mr Callaghan did not disguise his pessimism at the extremely grave situation in Cyprus yesterday. The prospect of a settled solution on the island has been put back for some years, in his view. The feeling in London is that Turkey was never really committed to making the conference a success; or rather, that the Turkish Government may have started out at Geneva seeking a diplomatic solution, but was overborne by the army.

Thousands of Britons have their holidays cancelled

By Stewart Tendler
Fresh fighting in Cyprus resulted in the cancellation of holidays yesterday by the Association of British Travel Agents. The national council of ABTA met and recommended to its members that the cancellations should run until the end of August at least. Corfu was exempted while further information was being obtained. Both the council and the Foreign Office have looked at contingency plans to evacuate the thousands of tourists already in the area. ABTA estimates there are 30,000 British holidaymakers in Greece and Turkey. The West German Embassy estimated that there are 32,000 West German nationals in the area as well. The ABTA statement said that tourists whose holidays were cancelled would be given alternative holidays, a cash refund or in exceptional cases a credit note. During the day there was confusion about flights in and out of Greece and Turkey. British Airways said Turkish airspace had been closed and Greek airspace was considered a dangerous area. Flights to both countries were suspended and passengers on the four

flights involved were turned away at Heathrow airport. A British Airways flight to Tel Aviv, which would have passed through Turkish airspace, was also cancelled. Olympic Airways, the Greek national airline, continued flying. A spokesman in London said many Britons are in the area and where they are situated. The holidaymakers in Greece are being advised to leave if they can and Britons planning holidays in the area have been advised against going. With flights cancelled or cut, the only way for Britons to come home is by road or rail. Reports have been received that tourists are leaving Turkey but the Foreign Office said they had no confirmation of this. A number of passenger ships have cancelled visits to ports in the area. No country is reported to have launched plans to bring home its nationals so far but West Germany has set up an emergency centre in Bonn.

The rest of the news

- Hospital strikes: Union changes tactics in North-east X-ray staff campaign 2
- Education: Tory 'parents' charter' criticized by teachers' union official 2
- Drunkness: Figures show sharp rise in offences by young 3
- Torrey Canyon: Salvage company fined for landing part of propeller 3
- Avon Gorge: Road closed after expert says rock might fall 3
- Celts: Congress told how to keep Welsh tongue alive 3
- Stockholm: Sweden reviews its neutral position in foreign affairs 3
- Rome: Restraints placed on Secret Service activities 3
- Dacca: New threat of epidemic, although floods recede 5
- Australia: Soviet violinist insists that he wants to go home 5
- Books: Michael Ratcliffe on Macaulay's letters; H. R. F. Keating on crime 6, 7
- Crickets: Kent in Gillette Cup final after exciting win over Somerset 7
- Bishops appointed: Successors named at Winchester and Lincoln 14
- Exports: Bigger trade surplus predicted for motor industry 15
- North Sea: French company wins oil platform order 15
- India: 16-page special report in series on Export Corridors of the World
- Appointments 14
- News: 14
- Arts 9
- Books 6, 7
- Home 2, 3
- Business 15-20
- Overseas 4, 5
- Chess 2, 14
- Obituary 14
- Church 14
- Science 14
- Class list 14
- Sport 7, 8
- Court 14
- TV & Radio 23
- Crossword 24
- Theatres, etc 9
- Diary 12
- 25 Years Ago 14
- Engagements 14
- Universities 14
- Features 6, 12
- Weather 2
- Letters 13
- Wills 14
- Motoring 23

Security Council issues new ceasefire call

By Our Diplomatic Staff
The United Nations Security Council issued a new ceasefire call for the immediate resumption of peace talks in Cyprus. The council, in a 15-0 vote, urged the warring sides to accept the ceasefire and to return to the negotiating table. The council also called for a complete withdrawal of all foreign troops from Cyprus. The council's new call came after a week of talks between British and Greek Cypriot representatives in Geneva. The talks had broken down after three days of negotiations. The council's new call was the first since the outbreak of the fighting in Cyprus. The council also called for a complete withdrawal of all foreign troops from Cyprus. The council's new call came after a week of talks between British and Greek Cypriot representatives in Geneva. The talks had broken down after three days of negotiations.

Greece withdraws its forces from Nato in protest

By Our Diplomatic Staff
Athens, Aug 14.—The Greek armed forces were pulled out of Nato today just as Turkey renewed its offensive in Cyprus in the wake of the collapse of the Geneva peace talks overnight. Greek officers at Nato headquarters in Brussels and Naples were ordered to pack their bags and return home. It was expected that Nato would be requested to remove its installations in Crete, including the missile patrol range, and the air and naval installations in Souda Bay. The Greek decision to withdraw militarily from Nato was taken at a war council chaired by Mr Constantine Karamanlis, the Prime Minister, held at 6 am at the Greek general headquarters outside Athens. A Government statement at the meeting three hours later, said: "After the Atlantic alliance demonstrated its inability to prevent Turkey from creating a state of conflict between two allies, the Prime Minister ordered that the Greek armed forces should be withdrawn from Nato. Greece shall remain a member of the

alliance only in connexion with its political aspects." The decision was later "unanimously approved" at an emergency Cabinet meeting, which was joined by Mr George Mavros, the Deputy Prime Minister and Foreign Minister, who arrived directly from the airport after flying in from Geneva. The decision was regarded by Western diplomats here as an emotional outburst probably calculated to convey to the West, particularly to the United States and Britain, the full extent of Greek frustration, and press them into action. Mr Karamanlis, in a statement deploring Turkey's behaviour, said he relied on the Security Council to take the necessary decisions to "prove whether the United Nations organization had any reason to exist." He added that "on her part, Greece shall take all the appropriate measures to confront an attack which was mounted not only against the independent state of Cyprus, but also to

EDWARD ERDMAN & COMPANY

Property Consultants

United Kingdom & Overseas

Edward Erdman
8 Grosvenor Street London W1X 0AD 01-623 6151

LONDON PARIS GLASGOW

Appointments	14	News	14
Arts	9	European	3
Books	6, 7	Home	2, 3
Business	15-20	Overseas	4, 5
Chess	2, 14	Obituary	14
Church	14	Science	14
Class list	14	Sport	7, 8
Court	14	TV & Radio	23
Crossword	24	Theatres, etc	9
Diary	12	25 Years Ago	14
Engagements	14	Universities	14
Features	6, 12	Weather	2
Letters	13	Wills	14
Motoring	23		

HOME NEWS

X-ray staff union alters tactics and stops strike campaign in all North-east hospitals but one

From Raymond Perman Labour Staff
Union leaders of National Health Service X-ray staff decided yesterday to continue their selective strike campaign, but reduce it in the North-east, which has been worst affected, from 45 hospitals to one.

Liberal plan for tax curb on big pay rises

Continued from page 1
Their payments in real terms throughout the period of the mortgage.



Mr Thorpe outlining Liberal policies at a press conference in London yesterday.

So is the low-start mortgage. It would provide for an artificially low rate of interest in the early years, rising gradually to the market rate.

party's economic spokesman, in a speech at Barnet. He advocated, first, stricter control of the money supply.

democracy and profit-sharing. Film censorship: in a private interview with Mr Thorpe yesterday, Mrs Mary Whitehouse called for the winding up of the British Board of Film Censors.

Printers decide today on pay offer

By Alao Hamilton Labour Staff
The National Graphical Association has postponed until today a decision on whether to accept from the Stationery Office an improved pay offer that may end the six-week strike at government printing offices.

The proposals for new types of mortgage will be closely compared with the Conservative plans when they are put forward because it is clear that the housing plight of the middle classes will be one of the main election issues.

areas, and the possible statutory obligation for schools to set up parent-teacher associations. If necessary, education authorities would be told to follow the wishes of pupils' parents, unless the cost or the educational needs of pupils made that unreasonable.

Record Office re-opened
The Public Record Office in London reopened its room and museum to the public yesterday after an eight-month closure.

Tourists are delayed by car ferry's breakdown

From Our Correspondent Jersey
British Rail agents in Jersey were trying last night to find a replacement for the car ferry Palaise, which broke down on the way to the island from Weymouth on Tuesday.

SDLP blames Britain over 'home guard'

From Robert Fisk Dublin
Half of the border town of Newry, Co Down, was without electricity yesterday because of threats by the local Provisional IRA unit to electricity workers.

Tory 'parents' charter' criticized by NUT

By a Staff Reporter
Conservative support of "parent power" in education is an attempt to increase the party's determination to keep selection in secondary education, Mr Fred Jarvis, deputy secretary of the National Union of Teachers, said in a statement from the union's headquarters in London yesterday.

Chess champion fights back to chase leaders

From Harry Colombeck Chess Correspondent
Simon Webb, leader in the British chess championship when the ninth round started at Clacton yesterday was soundly beaten by William Hartston in a game conducted with utmost energy by the champion.

Road closed because Avon Gorge unsafe

From Our Correspondent Bristol
Thousands of tons of rock in the Avon Gorge, at Bristol, are unsafe and might come crashing down on the road, a consultant said yesterday.

Place in centre found for disturbed boy

Mr Kenneth Selick, director of social services in Southwark, London, disclosed yesterday that a place has been found at the St Charles Youth Treatment Centre in Brentwood, Essex, for a seriously disturbed boy aged 11 who was being kept locked in a small room at Stamford House remand home in west London.

Coalitionists claim backing

By Martin Huckerby
The Great Britain Coalition Party has claimed that it had had a "terrific response" to its appeals for support of coalition government. More than 400 people from all over the country had been in touch.

Chess champion fights back to chase leaders

From Harry Colombeck Chess Correspondent
Simon Webb, leader in the British chess championship when the ninth round started at Clacton yesterday was soundly beaten by William Hartston in a game conducted with utmost energy by the champion.

Report on Stoke council affairs sent to DPP

From Our Correspondent Stoke-on-Trent
Staffordshire police have forwarded a report to the Director of Public Prosecutions in London after an inquiry into the affairs of Stoke-on-Trent City Council.

Weather forecast and recordings



'Let elderly sell homes and stay as tenants'

Elderly couples should be encouraged to sell their homes at a reduced price in return for a life tenancy at a nominal rent, says a Conservative Political Centre study published today.

Accused former directors allowed to keep passports

From Our Correspondent Pickering
Mr Richard Rowntree, the magistrate at Pickering, North Yorkshire, yesterday allowed two former directors of an aircraft company who were charged with fraud to keep their passports so that they can go abroad on holiday.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

The Queen sees huge oil rig unit launched

Highland One, the largest oil production rig the legs of an oil platform were given a royal send-off yesterday.

Highland One is expected to leave the dock on Monday when six tugs will assist the journey to the oil rig.

After lunch the Queen Duke toured new developments at Alnwick, where buildings are being built for oil workers.

France wins platform
Councillor Tom Ward of Lincoln, yesterday paid a cheque for £665 to a borough Disaster Fund.

Boy murder charged
Philip Theodorou, cleaner of Essex Road, London, was remanded in custody until August 2.

Record Office re-opened
The Public Record Office in London reopened its room and museum to the public yesterday after an eight-month closure.

Bomb damages cleared
A parcel bomb exploded in the bonnet of a car, damaging it in Grimby, side last night.

Tunnel death
A telephone engine last night after being in a flooded tunnel in Stockwell, London.

Pig disease confirmed
Swine vesicular disease confirmed last night in Wimbome, Dorset.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Clay C say the not pa
The 11 from Clay Cross yesterday, the first a claim interest on they have.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

Boar on rampage

A boar weighing 500lb charged cars, threw a bicycle in the air and trampled gardens at Eye, Suffolk, yesterday before it was shot after police, farmworkers and its owner had tried to end a three-hour rampage.

HOME NEWS

Sharp rise in cases of drunkenness among young people

After Evans, Affairs Correspondent... The greatest absolute increase in drunkenness offences was from 19,193 to 21,657 in the group of men aged between 21 and 29. The total of offenders in the under-18 group rose from 3,805 to 4,725; in the 18 to 20 group from 11,258 to 13,653; in the 21 to 29 group from 30,345 to 38,864; in the 30 to 39 group from 48,750 to 50,832; and in the group 60 and over from 6,240 to 7,200.

Eight again remanded in bomb plot case

From Our Correspondent Birmingham... Strict security was again imposed by the police in Birmingham yesterday when eight men appeared on remand before Mr John Milward, the magistrate, on bomb plot charges.

Swedish Prime Minister intent on developing social justice as an instrument of foreign policy

From Reger Choate Stockholm, Aug. 14.—Non-aligned Sweden is pursuing a foreign policy line which emphasizes what it believes are the perils of super power hegemony, according to western diplomatic sources.

Restraints on secret services of Italy

From Our Own Correspondent Rome, Aug. 14... Some shadowy assertions are heard here today of radical change in the counter-espionage service of the Ministry of Defence.

The destruction was ordered three years ago by a parliamentary commission of inquiry.

Social workers' legal need

Social workers must have a legal knowledge of the law, a report said yesterday, that all students on training courses in social work should have a basic programme of legal studies.

Slow-motion sightseeing on Copenhagen's only licensed 'taxi-bike'

Tourists pay £6 an hour, including use of raincoat in bad weather.

Slander charge against porter in Italy bomb case

Bologna, Aug. 14.—Police today arrested Signor Francesco Sgro, a porter at Rome University, who has claimed that he was paid £1m (£700) by the neo-fascist MSI party for falsely implicating left-wing students in the Bologna train bomb attack last week.

Paris takes some time off from motor traffic

Paris, Aug. 14.—At the height of the August holiday season Paris has decided to make a gesture to the tourists, foreign and French, who are so often annoyed, and sometimes even endangered by motor traffic.

EEC holidays curtailed for farm crisis

From David Cross Brussels, Aug. 14... Members of the European Commission will be curtailing their summer holidays to return to Brussels to prepare for a special emergency meeting of Ministers of Agriculture of the Nine early next month.

How to keep the Welsh language alive

Trevor Fishlock... Professor Williams, Professor of Education at University College, Aberystwyth, was addressing the Celtic Congress, attended by 700 people from Wales, Scotland, Ireland, Brittany, the Isle of Man and Cornwall.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Salvage firm fined in Torrey Canyon case

From Our Correspondent Penzance... The Celtic Ocean Salvage Company, of St Ives, Cornwall, was fined a total of £200 with costs of £320 by Penwith magistrates at Penzance yesterday, on six charges of landing part of a propeller and failing to hand it over to the Receiver of Wrecks.

French lorry driver fined for trial

French lorry driver fined for trial... French lorry driver fined for trial... French lorry driver fined for trial...

St Office film an audience of one

St Office film an audience of one... St Office film an audience of one... St Office film an audience of one...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Widow's lorry driver fined for trial

Widow's lorry driver fined for trial... Widow's lorry driver fined for trial... Widow's lorry driver fined for trial...

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Drug charges against son of Elizabeth Taylor

Michael Wilding, aged 21, son of Elizabeth Taylor, the actress, appeared on bail at Aberystwyth Magistrates' Court, Dyfed, yesterday, charged with possessing cannabis resin and cultivating a cannabis plant.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

Clay Cross 11 say they will not pay interest

The 11 former councillors at Clay Cross, Derbyshire, said yesterday that they would contest a claim for 7 per cent interest on the £6,985 which they have been surcharged for failing to collect higher rents while they were in office.

On 3 September 1974 First Western Bank and Trust Company of Los Angeles, California, will be renamed Lloyds Bank California. This 94-branch bank, the eighth largest in the state, was acquired by Lloyds Bank on 16 January 1974. A further strength for the Lloyds Bank Group in the fast-growing Pacific basin. Lloyds Bank Group logo.

CYPRUS

Nato Council reviews damage to southern flank by Greece's withdrawal from military alliance

From David Cross Brussels, Aug 14 The Nato Council today began an urgent appraisal of the military consequences of the Greek decision to withdraw its forces from the alliance. It expressed the hope that the Greek Government's action would prove to be only temporary and would be reconsidered as soon as possible.

Officials also felt that the decision had been taken partly for military reasons in order to prevent the Turks from learning too much about Greek troop and air movements. At Nato command centres, all military movements are monitored and the information is readily available to other Nato member countries.

Mr Ford is active in US ceasefire moves From Patrick Brogan Washington, Aug 14 The United States Government has issued a statement deploring Turkey's resumption of military action in Cyprus and calling for an immediate ceasefire.

Mr Ford is active in US ceasefire moves

From Patrick Brogan Washington, Aug 14 The United States Government has issued a statement deploring Turkey's resumption of military action in Cyprus and calling for an immediate ceasefire.



Homecoming: Service families disembark at RAF Brize Norton after the flight from Cyprus.

RAF airlift of families begins again

By Henry Stanhope Defence Correspondent The first of 1,700 service families arrived at RAF Brize Norton last night as the RAF began its second major airlift from Cyprus in three weeks.

More exposed to the fighting are the 1,400 British troops serving with the United Nations force. These are the Regimental Headquarters and 3 Squadrons of the 16/5 Royal Lancers and C Squadron of the 4/7 Dragoon Guards, equipped with a mixture of Ferrets and Salados; two squadrons of the RAC Parachute Squadron with Ferrets; and the 2nd Battalion Coldstream Guards.

The RAF contingent, apart from the Phantom squadron, includes two squadrons of Vulcans, a squadron of Lightnings, a number of Hercules transport aircraft, Whirlwind helicopters, and three squadrons of the RAF Regiment.

Mr Denktash explains objections to delay

From Our Correspondent Geneva, Aug 14 Mr Rauf Denktash, the Turkish Cypriot leader, said today that one reason why he had opposed an adjournment in the Geneva conference to permit consultations with the Greek and Cyprus Governments was that during the recess "they might have brought Makarios from London to replace Clerides."

Mr Gunes faces hostile reporters at conference

By Our Diplomatic Correspondent Geneva, Aug 14 On the morning after the Cyprus conference in Geneva, Mr Turan Gunes, the Turkish Foreign Minister, made one of his declarations to the press which are really a rearguard action.

Nicosia safety zones agreed

Geneva, Aug 14.—Both sides in Cyprus accepted today the establishment of three safety zones in Nicosia by the International Committee of the Red Cross. They are the Hilton Hotel, the Cleopatra Hotel and the Kibis clinic.

Makarios attack on American attitude

By a Staff reporter Archbishop Makarios expressed disappointment last night at the attitude of the United States to the Cyprus crisis.

'Genocide' denunciation by King Constantine

King Constantine yesterday denounced the Turkish offensive in Cyprus as having "all the characteristics of genocide" in a rallying telegram to the Greek Prime Minister, the king, who has a suite at Claridges in London, called on all Greeks to show unity.

Cabinet retains public confidence

Continued from page 1 undermine the institutions and order of the whole world. "Turkey proves to be a threat to world peace. She took advantage of an irresponsible and senseless act in the previous (Greek) regime, to land military forces in Cyprus three weeks ago, on the pretext of restoring legality and protecting the island's independence."

Police break up protest at Turkish embassy

By a Staff Reporter Police broke up a demonstration of angry Greek Cypriots outside the Turkish Embassy in London last night. Clearly in trouble, more than 200 policemen, lined Belgrave Square, reinforcements were in the square gardens.

Mr Callaghan blames talks failure on Turks

From A. M. Rendel, Diplomatic Correspondent Geneva, Aug 14 The Cyprus conference in Geneva broke down early today only a few minutes before Turkish aircraft began to bomb Nicosia. In the last hour of the session it became clear that Mr Gunes, the Turkish Foreign Minister, was merely playing out time, and that the Turkish Government had decided to take by force what they had so far failed to obtain by negotiation.

Makarios attack on American attitude

By a Staff reporter Archbishop Makarios expressed disappointment last night at the attitude of the United States to the Cyprus crisis.

'Genocide' denunciation by King Constantine

King Constantine yesterday denounced the Turkish offensive in Cyprus as having "all the characteristics of genocide" in a rallying telegram to the Greek Prime Minister, the king, who has a suite at Claridges in London, called on all Greeks to show unity.

Cabinet retains public confidence

Continued from page 1 undermine the institutions and order of the whole world. "Turkey proves to be a threat to world peace. She took advantage of an irresponsible and senseless act in the previous (Greek) regime, to land military forces in Cyprus three weeks ago, on the pretext of restoring legality and protecting the island's independence."

Police break up protest at Turkish embassy

By a Staff Reporter Police broke up a demonstration of angry Greek Cypriots outside the Turkish Embassy in London last night. Clearly in trouble, more than 200 policemen, lined Belgrave Square, reinforcements were in the square gardens.

Mr Callaghan blames talks failure on Turks

From A. M. Rendel, Diplomatic Correspondent Geneva, Aug 14 The Cyprus conference in Geneva broke down early today only a few minutes before Turkish aircraft began to bomb Nicosia. In the last hour of the session it became clear that Mr Gunes, the Turkish Foreign Minister, was merely playing out time, and that the Turkish Government had decided to take by force what they had so far failed to obtain by negotiation.

Makarios attack on American attitude

By a Staff reporter Archbishop Makarios expressed disappointment last night at the attitude of the United States to the Cyprus crisis.

Famagusta bombed and shelled all day

Continued from page 1 Throughout the morning flights each of six fighter bombers made bombing and strafing runs, blocking the town and setting buildings on fire. Big plumes of black smoke rose over a wide area in the Greek Cypriot part of the town. Greek National Guardsmen fired volleys of machine gun fire at the attacking jets with no result. It is the second time in a month that the town has suffered heavy Turkish air strikes.

RAF airlift of families begins again

By Henry Stanhope Defence Correspondent The first of 1,700 service families arrived at RAF Brize Norton last night as the RAF began its second major airlift from Cyprus in three weeks.

'Genocide' denunciation by King Constantine

King Constantine yesterday denounced the Turkish offensive in Cyprus as having "all the characteristics of genocide" in a rallying telegram to the Greek Prime Minister, the king, who has a suite at Claridges in London, called on all Greeks to show unity.

Cabinet retains public confidence

Continued from page 1 undermine the institutions and order of the whole world. "Turkey proves to be a threat to world peace. She took advantage of an irresponsible and senseless act in the previous (Greek) regime, to land military forces in Cyprus three weeks ago, on the pretext of restoring legality and protecting the island's independence."

Advertisement for 'Fresh face' cosmetics and 'down jai' products, featuring a woman's face and various cosmetic items.

OVERSEAS

Bangladesh faces increasing threat of epidemics as floodwaters begin slowly to recede

Michael Hornsby, Aug 14. The floods which have been raging in Bangladesh for two months appear to be abating, although several critical epidemics of cholera, typhoid and other diseases will increase as the waters recede. The situation is improving in the northern districts of Bangladesh. The worst-affected regions now form a narrow strip across the middle of the country, centred on Faridpur in the west, Dacca in the centre and Comilla in the east. In the western parts of Dacca have under about 2ft of water two weeks and vast tracts of the surrounding countryside are flooded to a depth of 3ft. But the danger is in the area between Dacca and the rest of the country have been flooded. If fresh rainfalls in the hills of upper Assam lead the Brahmaputra and tributaries which bisect Bangladesh from north to south, there is also a danger that draining away of the floodwaters to the south could be followed by a high tide in the Bay of Bengal, which is expected to occur in about a week. A boat trip in the heavily flooded region between the Bay river and the Balu to the north-east of Dacca passes through a landscape of weird beauty where ketch-like boats ply between half-submerged clusters of wattle and bamboo thatch houses against a backdrop of lowering rain clouds. Usually these small villages would have been safe on their islands of higher ground even during the monsoon season, but this year the level of the floodwaters was several feet higher than the average for the past 20 years. A Staff Reporter writes: The voluntary relief organization, War on Want, has decided not to send anti-cholera vaccines to Bangladesh, after receiving reports that the vaccine's success rate was only between 50 and 60 per cent. The organization considers sending iodine and water purification tablets instead. Christian Aid has given £10,000 towards emergency relief supplies which are to be flown to Dacca at the end of this week or early next week. Oxfam is giving 140,000 doses of a combined anti-cholera and anti-typhoid vaccine, costing about £3,000, which are to be flown out on Saturday. The Catholic Fund for Overseas Aid has already sent £500 in relief supplies and will be sending more medical supplies, but probably not until early September. The International Red Cross has already spent between £150,000 and £200,000 since the floods began, of which £5,000 was given by the British Red Cross.



King Husain of Jordan in Seattle yesterday prepares to fly the City of Amman, a Boeing 727 to be delivered to ALIA, the Jordanian airline.

Russian violinist says he wants to go home

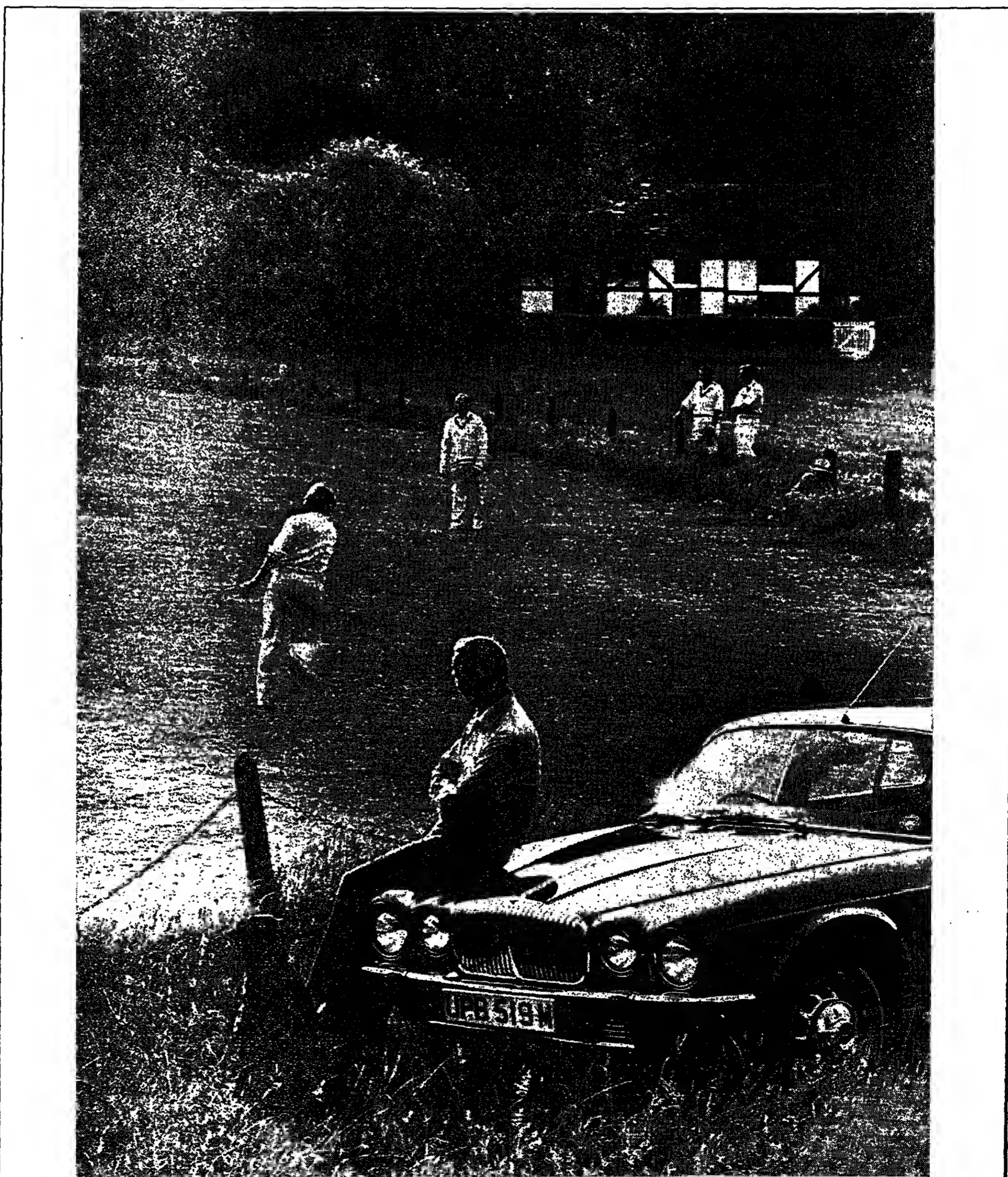
Perth, Aug 14—Mr Georgi Yermolenko, the Russian violinist who was twice prevented by trade unionists from leaving Australia, assured reporters today that he really wants to return to the Soviet Union. He told two reporters who were allowed to see him: "I want to go back as soon as possible—without a homeland a man has no heart." Mr Michael Edgley, an impresario, an official of the Australian Foreign Affairs Department, and Mr Harry Bluck, secretary of the Musicians' Union, were also present at the meeting. After the 15-minute press conference the violinist's interpreter, Mrs Alexandra Skobeleff, said that she did not think his request to go home was genuine. "I do not believe he was saying what he really felt. I think he was frightened of another Russian in the room." The other Russian was Mr Alexei Yevkimenko, the Soviet Consul in Canberra. The Federated Clerks' Union today maintained its ban on any aircraft attempting to take Mr Yermolenko from Perth airport. The union is demanding that he should be given 24 hours free from any outside influence to make up his own mind on whether he wants to go home or stay in Australia. The union's stand was reaffirmed after Mr Jim Harding, its Western Australia state organizer, had spoken to Mr Yermolenko in the latter's hotel. The Soviet cultural attaché failed to produce Mr Yermolenko at the Supreme Court today under a writ obtained by Perth students.—Reuter, AP. Day Melbourne Correspondent writes: Fears were expressed tonight that the Yermolenko affair may have unhappy repercussions for the Moscow visit by Mr Whitlam, the Australian Prime Minister, in December. The Soviet Embassy in Canberra was extremely critical today of the manner in which the affair had been handled by the Australian Government. An embassy spokesman said that a ban by trade unions on Mr Yermolenko's flight home was an unlawful attempt to prevent a group of Soviet musicians from leaving Australia. It was an attempt to kidnap Mr Yermolenko and to put psychological pressure on Professor Kabalevsky, one of the world's greatest living composers, according to the spokesman. Professor Kabalevsky is the leader of a group of seven Russian musicians who have been visiting Perth. Senator D. Willesee, the Australian Minister for Foreign Affairs, said in the Senate today in reply to questions, that he had held several conversations on the matter with Mr V. N. Smirnov, the Soviet Chargé d'Affaires, in Canberra, but he had no intention of disclosing their nature. Opposition members in both Houses of Parliament have censured the attitude of the Government.

Fundamental rights restored in Pakistan

From Our Correspondent Rawalpindi, Aug 14. After more than five years citizens in Pakistan have been given back the right to apply to the courts over fundamental rights, providing safeguards from arrest and detention and for freedom of assembly and association. Mr Bhutto, the Prime Minister, said here today that his state of emergency would continue, but he had decided to rescind the order which suspended citizens' rights to apply to the Courts for enforcement of fundamental rights provided in the constitution. He made the announcement while laying the foundation stone of Pakistan's first permanent building for the national Parliament at Islamabad, the capital. The Opposition in both houses of Parliament, however, boycotted the ceremony. They said the President and not the Prime Minister should lay the foundation stone. Announcing the restoration of fundamental rights, Mr Bhutto said: "Despite the fact that we are not yet rid of our anxiety about the situation along our borders and the dangers of internal subversion, my Government feels the time has come for us to make a move further towards the norms laid down in the constitution." His declaration, however, made some observers believe that the Government would extend the state of emergency, which has continued since 1970, for a period of six more months on expiry of its present life on September 3. Mr Bhutto said his announcement showed the Government's resolve to amplify and enlarge civil liberties, subject to paramount considerations of national security, and signified that the Government was overcoming disintegrative forces.

Bill lays down jail terms for aiding objectors

Our Correspondent Town, Aug 14. South Africans who encourage the refusal of military service will be risking prison terms of up to 10 years or a fine of up to 10,000 rand (R100) or both under a Bill which has been introduced in Parliament in Cape Town. The Government's intention is to use the Bill to cause considerable controversy as it is calculated to inhibit any debate on conscientious objection to the military service. The legislation is likely to be used to cause considerable controversy as it is calculated to inhibit any debate on conscientious objection to the military service. The legislation is likely to be used to cause considerable controversy as it is calculated to inhibit any debate on conscientious objection to the military service.



The leather and wood have a strange magic; there is a soothing calm, and the pleasing reassurance of something traditional, familiar and very British. Sporting, gentlemanly, restful—with the promise of excitement, this is part of a very special kind of world... Daimler

EC seeks worldwide help to combat drug smuggling

Brussels, Aug 14.—The European Community today asked the United Nations Conference on the Law of the Sea to maintain freedom of navigation on high seas but to move against drug traffickers and pirate radio stations. The draft submitted by the EEC members maintained the principles of the Convention on the High Seas which remain valid as a whole but that they must stay in force in areas beyond national jurisdiction. The EEC proposal thus runs counter to the wishes of a number of countries, including coastal states and developing countries, which want to extend their jurisdiction to a zone of 200 miles. The article suggested by the EEC would tend to strengthen international control over ships under national flags. The text particularly emphasizes the need of merchant vessels to ensure a flow of information and adequate devices on ships. The other proposed EEC measures suggest that measures be taken to suppress drug smuggling on the high seas. It suggests that nations be authorized to seize such cargoes from ships of under an agreed tonnage, and that any country that suspects a ship of smuggling drugs could ask the co-operation of other countries to halt the traffic. The EEC also proposed that governments be empowered to move against pirate radio stations operating on the high seas. A number of such stations have operated in Europe, especially in the English Channel. The EEC suggestion would authorize a government to arrest people and ships on the high seas operating unauthorized programmes. Delegates were told that six multinational companies would soon be able to begin commercial exploitation of metallic nodules on the floor of the Pacific Ocean. The nodules contain manganese, copper and other usable metals. There has been much controversy here on who owns the rights to mineral and other resources on the beds of what are called the "high seas" and on whether some international authority should be set up to license or at least supervise companies that want to exploit these resources.—Agence France-Press.

Lonel Gaddafi's four henchmen free

Tripoli, Aug 14.—Libya has freed four guerrillas who hid in a Japanese Airbase tunnel after it had left Holland last year, then blew it up at Benghazi airport. A spokesman here today said a report in a Beirut paper, and added that the guerrillas, who include a Japanese, had been freed in Damascus yesterday. A newspaper said that the leader, Muammar Gaddafi, had personally decided to release the guerrillas after approaching Mr Yasser Arafat and the Palestinian guerrillas.—Reuter.

Another 36 'plotters' jailed in S Korea

Seoul, Aug 14.—A military court here today passed prison terms of from five years to life on another 36 South Koreans for their involvement in an alleged anti-Government plot. Of the group, believed student activists for the most part, one was jailed for life, 13 for 15 years, another 13 for 12 years and the remaining nine for from five to 10 years. This brought to 135 the total number convicted by the tribunal under President Park Chung Hee's April decree outlawing the National Democratic Youth Student League, who are alleged to have concocted the plot.—Agence France-Press.

Heavy fighting near vital Vietnam supply route

Phnom Penh, Aug 14.—Heavy fighting erupted round the Hoai Nhon in South Vietnam's central coastal area Highway 1, a crucial supply route, the Saigon news said today. More than 70 communists were killed in a clash yesterday, while Government losses were two killed and one wounded. The fighting was reported to have been a result of the fifth successful day. One civilian was killed and 16 people were wounded in the attack. The fighting hit a mental hospital destroyed six houses, but did not affect the air base. A spokesman here said that 80,000 people had been freed from Government control and 12,600 Government troops put out of action in a month-long series of battles in the northern and central parts of the country.—Reuter and Agence France-Press.

كندا من الأصل

BOOKS TWO A useful score

Good Innings Private Papers of Viscount of Farnham by Alan Clark (Murray, £3.75) ... a quicksand, what a tower of reputations, a house of Commons is this...

Crime

Lehak's Gold Brian Garfield (Millan, £2.95) ... the day the Rabbi Harry Kemelman (Chinsoy, £2.50) ... Atlantic is wide, wide here are two...

Fiction

And Blood Emyr Humphreys (Penguin, £2.95) ... Humphreys' latest is one of the oldest...

Fiction

The Cure, by Paul Ferris (Weidenfeld & Nicolson, £2.65) ... What if science discovered the certain cure for cancer...

SPORT Cricket



Somersets' hopes of victory plummet as Close fails to make his ground and is run out by Woolmer after a swift return from Elms.

Two young newcomers give Kent some palpitations

By John Woodcock CANTERBURY: Kent beat Somerset by three wickets. Not without a great fight, did Somerset go down in Kent in yesterday's semi-final round of the Gillette Cup...

Tennis Frost put out by a mirror image called Sorensen

By Rex Bellamy Two young men from Burnham-on-Sea, both products of the Millfield tennis nursery, had contrasting stories to tell after yesterday's play in the British under-21 championships...

Bowls Brotherhood beat AEC in fours final

Inspired by their lead, Clive Hall, Bromborough, beat AEC in the final of the fours at the English Bowling Association championships at Worthing yesterday.

Women's results at Wimbledon Park

Results in the singles event of the English women's bowling championships at Wimbledon Park yesterday were: Second round: Mrs A. M. Johnson (City and County) beat Mrs C. Curtis (Blackburn) 2-1...

Golf Huggett and Horton set course record

By Peter Rydo Golf Correspondent After the scoring asterisks of the British and American Opens, not to mention the women at Sunningdale last week, the birdies returned to golf yesterday in the Benson and Hedges tournament at Farnham...

Second XI competition

BIRMINGHAM: Warwickshire II v Devonshire II; Gloucestershire II v Middlesex II; Lancashire II v Yorkshire II; Nottinghamshire II v Lancashire II; Warwickshire II v Gloucestershire II; Southampton II v Gloucestershire II; ALANFORD: Dorset v Cornwall.

Today's cricket

GILLETTE CUP: WEST: Gloucestershire II v Lancashire II; WEST: Gloucestershire II v Lancashire II; WEST: Gloucestershire II v Lancashire II...

Football Derby sign Lee for £100,000

Francis Lee, of Manchester City, was signed by Derby County last night for a fee of more than £100,000.

Two for transfer

Millwall have placed Alfred Wood and Douglas Aldred on the transfer list.

Yesterday's results

SCOTTISH LEAGUE CUP: Arbroath 2-0 Dundee; Dundee 2-0 Aberdeen; Aberdeen 1-0 Dundee; Dundee 2-0 Aberdeen; Aberdeen 1-0 Dundee...

Motor racing Hobbs replaces Hailwood

David Hobbs will replace the injured Mike Hailwood in the Vauxhall Formula One team for the next two world championship events.

Advertisement for LITTLEWOODS POOLS, LIVERPOOL, featuring 'CERTIFIED PPA DIVIDENDS' and 'THE ONLY POOL PAYING 6 DIVIDENDS'.

SPORT Racing

Eddery's clouds have a silver lining

By Michael Phillips
Racing Correspondent
When Jack Colling was training at West Ilsley the stable's runners at the York Ebor meeting invariably attracted a huge following...

Company Sergeant, the favourite, was withdrawn without competing under the starter's orders because he was kicked just above his hock on his hind leg as the field began to make their way around behind the stalls...

Hide should maintain Catterick record

By Jim Snow
Northern Racing Correspondent
Catterick has been his hard in Test and county matches in the past few days and Folkstone had to be abandoned because of rain...

From Pierre Guillot
French Racing Correspondent
Deauville, Aug 14
There are two valuable group races at Deauville tomorrow each of which will be contested by strongly fancied English-trained victors...

Salisbury programme

Table listing race details for Salisbury, including 2.0 NETTON HANDICAP (5353 1m) and 2.30 WHITCHURCH PLATE (Div 1: 2-y-o: £587 7f).

Newton Abbot programme

Table listing race details for Newton Abbot, including 2.15 WOMBAT HURDLE (Handicap: £442: 2m 5f) and 2.45 TORRIDGE STEEPLECHASE (Novices: £272: 2m 150yds).

Plumpton programme

Table listing race details for Plumpton, including 2.15 STREAT HURDLE (Handicap: £204: 2m) and 2.45 WORTHING STEEPLECHASE (Novices: £204: 2m).

Salisbury programme

Table listing race details for Salisbury, including 2.30 OGBOURNE HANDICAP (2-y-o: £602: 6f) and 3.30 AMESBURY STAKES (2-y-o maidens: £465: 1m).

Newton Abbot programme

Table listing race details for Newton Abbot, including 3.15 ERNE HURDLE (2-y-o: £442: 2m) and 3.45 BOVEY STEEPLECHASE (Handicap: £442: 3m 2f 105yds).

Plumpton programme

Table listing race details for Plumpton, including 3.15 BRIGHTON HURDLE (Handicap: £442: 2m) and 3.45 CHALEY HURDLE (Novices: £170: 2m).

Salisbury programme

Table listing race details for Salisbury, including 4.30 UPAYON STAKES (3-y-o fillies: £578: 1m) and 5.0 WHITCHURCH PLATE (Div II: 2-y-o: £587: 7f).

Newton Abbot selections

Table listing race selections for Newton Abbot, including 3.15 ERNE HURDLE and 3.45 BOVEY STEEPLECHASE.

Plumpton selections

Table listing race selections for Plumpton, including 3.15 BRIGHTON HURDLE and 3.45 CHALEY HURDLE.

Catterick Bridge programme

Table listing race details for Catterick Bridge, including 2.15 STAINFORD PLATE (2-y-o: £276: 7f) and 2.45 PADDOCK HOUSE PLATE (2-y-o fillies: £176: 5f).

Salisbury results

Table listing race results for Salisbury, including 2.15 STAINFORD PLATE and 2.30 OGBOURNE HANDICAP.

Fontwell NH

Table listing race details for Fontwell NH, including 2.0 MISS MISSISSIPPI (2-y-o fillies: £100: 5f) and 2.15 MISS MISSISSIPPI (2-y-o fillies: £100: 5f).

Catterick Bridge

Table listing race details for Catterick Bridge, including 2.15 STAINFORD PLATE and 2.30 OGBOURNE HANDICAP.

Catterick Bridge

Table listing race details for Catterick Bridge, including 2.15 STAINFORD PLATE and 2.30 OGBOURNE HANDICAP.

Fontwell NH

Table listing race details for Fontwell NH, including 2.0 MISS MISSISSIPPI (2-y-o fillies: £100: 5f) and 2.15 MISS MISSISSIPPI (2-y-o fillies: £100: 5f).

Catterick Bridge

Table listing race details for Catterick Bridge, including 2.15 STAINFORD PLATE and 2.30 OGBOURNE HANDICAP.

Catterick Bridge

Table listing race details for Catterick Bridge, including 2.15 STAINFORD PLATE and 2.30 OGBOURNE HANDICAP.

Fontwell NH

Table listing race details for Fontwell NH, including 2.0 MISS MISSISSIPPI (2-y-o fillies: £100: 5f) and 2.15 MISS MISSISSIPPI (2-y-o fillies: £100: 5f).

French racing
Gay Style for another Deauville victory

From Pierre Guillot
French Racing Correspondent
Deauville, Aug 14
There are two valuable group races at Deauville tomorrow each of which will be contested by strongly fancied English-trained victors...

Belgian racing
Common Land's chief rival may be Uncle Remus

From Our Special Correspondent
Ostend, Aug 14
Common Land, trained at Newmarket by Michael Jarvis, should win the £5,000 Grand Critérium International d'Ostende tomorrow...

Show jumping
Macken back to Hickstead for derby meeting

By Pamela Macgregor-Morris
Ireland's Ed Macken, runner-up to Hartwig Steenken of West Germany for the men's world championship at Hickstead last month, returns to the top of the start of the W. D. & H. D. Willis British jumping derby meeting...

Yachting
Disqualified US winner dominates again

Long Beach (California), Aug 13.—The United States and Sweden dominated the second race in the FINE GOLD Cup world championship series here. Henry Sprague III, of Newport Beach, California, who finished first in the opening race and was then disqualified for crossing the starting line too soon, won again today as the US took three of the first four positions...

Cycling
Squash rackets

By Pamela Macgregor-Morris
Ireland's Ed Macken, runner-up to Hartwig Steenken of West Germany for the men's world championship at Hickstead last month, returns to the top of the start of the W. D. & H. D. Willis British jumping derby meeting...

ENTERTAINMENTS

When mentioning the price of only double London Metropolitan Ave.

MUSEUM (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

ENGLISH NATIONAL OPERA (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

DIANE'S WELLS THEATRE (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

ANCE THEATRE OF HARLEM (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

ONDON FESTIVAL BALLET (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

SNAPS MATINGS (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

CONCERTS (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THE ARTS

Two royal premieres for film

Two royal premieres have been arranged for LMI's film Murder on the Orient Express in London and Glasgow.

The royal world charity premiere of the Agatha Christie adaptation will take place at both ABC 1 and 2 theatres, Shaftesbury Avenue, on November 21, in the presence of the Queen, the Duke of Edinburgh, Princess Anne and Captain Mark Phillips.

The Duchess of Kent is in attendance at the second premiere at the ABC 2, Glasgow, on December 3, in aid of the National Society for Cancer Relief.

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).

THEATRES (U-53) 11th Lys. 7.50 (Wed. mat at 6.50).



The final scene: James King, Ingrid Björner, Dietrich Fischer-Dieskau, Franz Crass, Claes-Haaken Ahnesjö and Adrienne Cserény

Munich's nippy Fidelio

Munich's new Fidelio is a mixture of the tried and the experimental. The cast is led by James King and Ingrid Björner, who have pulled off many a rescue act between them; only a few years ago they were singing Leonore and Florestan down the autobahn at Salzburg's Felsenreitschule with Franz Crass as a highly dependable Rocco. And Dietrich Fischer-Dieskau, who was in town for the other new production of the festival at the National Theatre, Falstaff, puts in a brief and distinguished appearance as Don Fernando.

Classical to exotic

Dance Theatre of Harlem/Festive Ballet Sadler's Wells/New Victoria

John Percival

A third program at Sadler's Wells has completed the London repertory of the Dance Theatre of Harlem; the three programmes will each have several more performances until the end of next week.

The hints of emotion in the classical dance patterns are essentially those of youth, the hopelessness of first love, and the young Harlem dancers come nearer to the original feeling of the work than anyone since the 1940s.

Arthur Mitchell's Rhythm-tron, a specially written percussion score by Marlos Nobre, is like an abstract reworking of the other works of his given this season, with much interesting invention in the pas de six and strongly developed climaxes for the massed ensemble also.

Another work by Mitchell on this programme, Tones, suffers from the monotonously restricted range of the music by the company's able conductor, Tania Viera-Leao. With a different accompaniment, the ingenious variants on standard classroom techniques and contrived double-work might prove to be more effective. I think it is a pity, however, here and in the Corsair pas de deux, to push the dancers to the limit

A doubtful blessing

The Rise and Fall of DDT

BBC 1

Alan Coren

The Tuesday Documentary was a tough rap this week for anyone still digesting dinner, and there must have been such queasiness by the family fireworks at the sight of little trays of rat livers laid out for comparative analysis; although for my money those came a poor second to Mr Robert Loible, who might be described as a pest controller's pest controller, a man so determined to uphold the good name of DDT that he could be seen gobbling the stuff for breakfast.

Should DDT in fact have a good name? That was the question centrally posed. It is as calamitous a boon as you could shake a stick at, and the programme was quick to remind environmentalists hysterical over the sterility of grebes that the millions of people throughout the world who owe their lives to DDT may feel that the loss of the peregrine falcon is a small price to pay for the wiping out of lice which carry typhus and the mosquitoes which carry malaria.

That DDT has certain deleterious side-effects was proved; that those side-effects are on a far smaller scale than has hitherto been shrilled, however, was what was most worth saying, and the film laid out its arguments lucidly and calmly, with scientific illustration that was concessional to the lay viewer without being condescending to him.

Ask most people why the United States banned the use of DDT, and they would reply that it was carcinogenic; but even I, who believe that every-

TEXT OF KIN Harold Pinter directs with swiftness and accuracy

Some of the notices on this page are reprinted from yesterday's later editions. The Mugrave was fortunate

Export Corridors of the World

INDIA

Relentlessly rising import prices fire export drive

By Tim Cougdon

In a developing country India has a growing need for foreign exchange to finance economic expansion. The principal imports of machinery, components and spare parts have to be matched by an increasing volume of exports. Because of this the Indian Government has consistently pursued a policy of encouraging exports and a large number of special agencies have been set up.

This effort has become even more essential in the last 12 months. The gradual rise in the price of manufactured goods imported from the advanced countries has continued, but has now been accompanied by a sharp and unexpected rise in the price of many commodities imported by India to large amounts. Not only has the price of oil risen dramatically but items such as newsprint, wheat and hops have also become more expensive.

Government policy has been framed with the help of the Federation of Indian Export Organisations, which communicates the views of leading exporting organisations to officials and politicians. Its members are 19 export promotion councils, a number of banks and chambers of commerce. The export promotion councils deal with the whole range of Indian exports, but each specialises on a particular area, or example, there is an engineering export promotion council and a cotton textiles export promotion council.

With this framework it has been easier for the Government to lay down guidelines for the private industry and thereby ensure that national objectives are pursued. A further indispensable element in policy has been the setting up of a number of government undertakings and the recognition of export houses.

Government undertakings are most active in import trade because the limited amount of foreign exchange available has to be rationed in accordance with national objectives. It has been felt that the most desirable way of doing this is to entrust the job of importing to government concerns. If a private individual or concern wishes to import something it has to obtain a licence from the Ministry of Finance and see that the transaction is handled by one of the government undertakings.

With the new urgency of an improvement in exports these are taking an increasing share in the export trade. The policy of directing exports through them is known as "canalisation" and has been a marked feature of the past three years. The State Trading Corporation, with its many subsidiaries, and the Minerals and Metals Trading Corporation are the

principal organizations involved.

The other set of institutions closely influenced by government measures are the export houses. There are about 250 such houses, all of which hold this special status from the Government. It entitles them to certain fiscal incentives, special export credit facilities and to conduct trade in some articles prohibited to ordinary commercial organisations. The quality of these special privileges an export house has to have exports of Rs2.5m in non-traditional exports or of Rs20m in traditional exports.

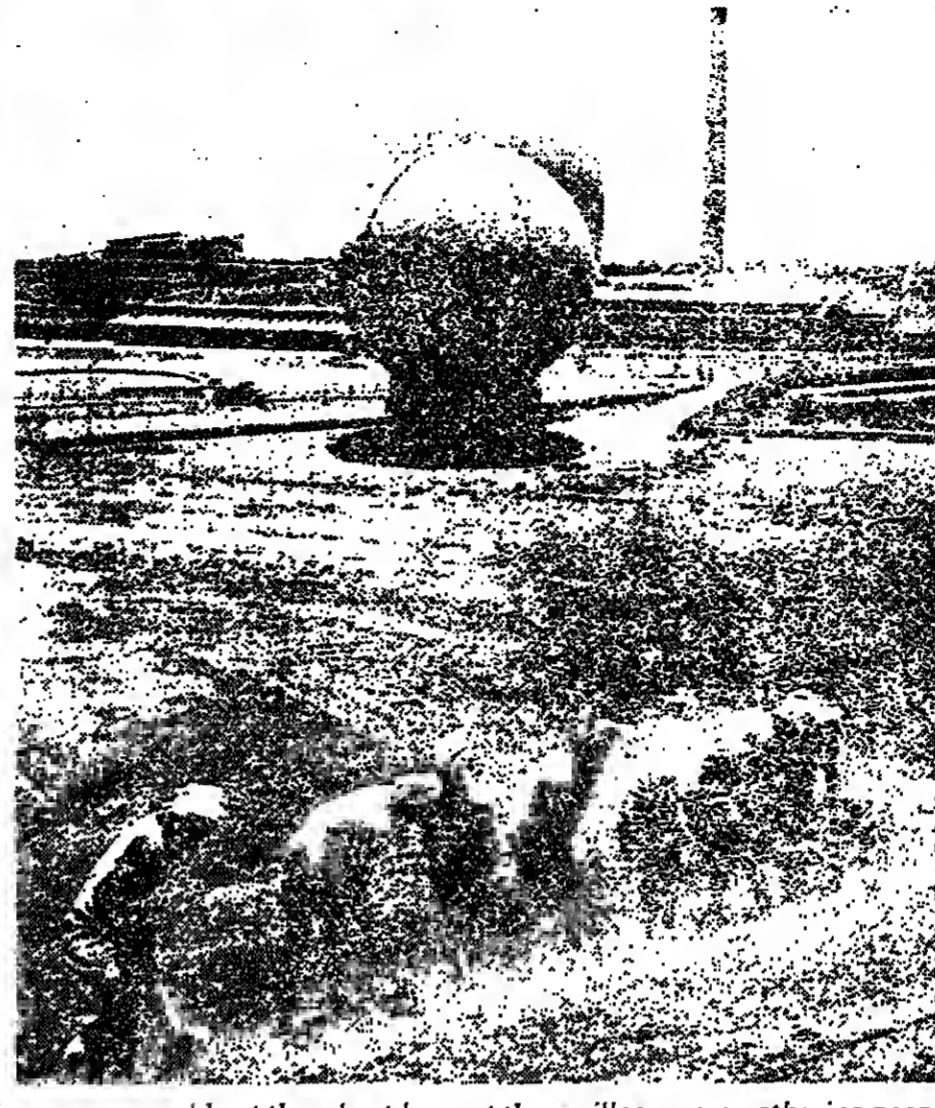
The distinction between traditional and non-traditional exports is fundamental to the planning process and to government thinking in general. There is a determination that India must not remain a seller of primary products and a buyer of finished goods into the indefinite future.

Non-traditional exports include such items as engineering products, iron and steel and footwear. Traditional exports include such items as tea, jute and cotton textiles. In 1973 the value of non-traditional exports exceeded that of traditional exports by Rs1,500m. During the fifth plan traditional exports are expected to stagnate and should stand at only Rs9,400m in 1978, just Rs600m above their present value. But non-traditional exports should climb to Rs15,120m, with engineering products, for example, showing a spectacular rise from their present level of Rs1,500m to Rs4,000m.

The Indian Government considers this to be in part a policy of diversification. With a wide range of exports it should be possible to withstand the adverse effects of wild fluctuations in the price of commodities on the world market. This is receiving priority as two of India's major exports, tea and jute, have been severely hit in recent years by world conditions. There is a long-term taste change from tea to coffee, even in markets such as Britain where tea has long been dominant. Jute, on the other hand, has suffered from the competition of a number of artificial fibres and synthetic materials.



Two aspects of India's problem economy: a bad monsoon could cut the wheat harvest these villagers are gathering near Calcutta. The Atomic Centre at Trombay, near Bombay: energy without costly oil imports.



a rebate on this duty is given. Occasionally straight subsidies are granted to exporters, although this is unusual. An exception is the practice of providing subsidized freight-space on Air-India, if a particularly valuable order is at stake.

This policy of fiscal inducements is being continually reviewed and refined. On April 1 last year, for example, a directive was issued to firms saying that the grant of an import licence for raw materials would be easier if they would then be used for exports with more than 25 per cent of value added in India. If the proportion of value added was under this the licence might be refused or delayed.

Secondly, quotas are occasionally placed on exports of unfinished goods. For example, the rapid growth of tanned leather exports was regarded unfavourably in the early 1970s because it would be further processed then manufactured in other countries, suggesting that India had missed an opportunity for its own industry. In 1973 a quota was placed on all the private companies operating in the export of tanned leather. It was hoped that, by obliging them to establish factories, it would increase employment, as well as augmenting unit value realization.

Thirdly, exporters are given good credit terms by the major banks. They are usually charged a rate of interest 2 per cent or more less than the going commercial rate, as well as being given preferences over less essential domestic borrowers.

A variety of new port developments are at different stages of completion. Two major ports at Mangalore and Tuticorin are expected to be commissioned this year, with Mangalore already pre-empted in the export of coffee. Mormugao, in the former Portuguese colony of Goa, handles large tonnages, principally because its main export is of iron ore.

These developments should serve to reduce turround times for vessels delivering cargoes to Indian ports. But, more important, they will clearly contribute to a more rapid expansion of exports as a whole.

Vital to the recent upswing in exports has been a competitive exchange rate. Government policy is basically to maintain parity with the pound. Since 1971, as the pound has floated steadily downwards, the value of the Indian rupee has declined in relation to most currencies, making Indian goods cheaper throughout the world. This has stimulated export sales, particularly of items like cotton textiles and seafoods where demand varies according to price.

Monsoon holds key to stable economy

Every year is a difficult one for the Indian economy, but 1974 is likely to prove more difficult than most. A sequence of misfortunes, most of them unforeseen and all of them unavoidable, have hampered the economy in the past two or three years. The question now is whether or not India has reached a turning point.

The enduring problem is poverty and India's attempts at economic development in the past have been a competitive exchange rate. Government policy is basically to maintain parity with the pound. Since 1971, as the pound has floated steadily downwards, the value of the Indian rupee has declined in relation to most currencies, making Indian goods cheaper throughout the world. This has stimulated export sales, particularly of items like cotton textiles and seafoods where demand varies according to price.

But there are no plans for any further adjustment of the exchange rate. The facts that orders continue to rise, and that an ever broadening range of products is being sold overseas, demonstrate India's ability to withstand higher oil prices, the fertilizer shortage and a soaring import bill, by keeping exports competitive with those of other countries.

advised to economize on oil and to use alternative power sources. Domestic oil output is being increased and foreign oil companies are being encouraged to explore the Bombay High, an offshore belt believed to have significant oil deposits. The coal industry has recently been nationalized and, again, there are plans to step up production. However, there have been production difficulties, largely because of the teething troubles caused by the change to a new organizational system.

Finally, exports must be increased. No special measures have been taken, partly because the fast export growth of 1973 has been interpreted as a sign that Indian goods are competitive in world markets and improved sales can be expected for some time yet.

But this will depend on the success of efforts to curb inflation. In 1973 wholesale prices soared by no less than 22.6 per cent; a record—but not one India would like to repeat if this were to continue, the present price advantage which Indian goods have in world markets would be eroded.

A vigorous credit squeeze has been in operation since last year. The statutory liquidity ratio of commercial banks was raised by two points in 32 per cent of total liabilities in December. The central bank indicated its unwillingness to extend too much help to commercial banks by instituting quotas on its lending and by raising the maximum lending rate from 12 to 15 per cent. The final element in the package was a 10 per cent ceiling on the growth of bank credit (except for exports and food procurements) between September, 1973, and March, 1974.

The hope must be that these tough measures will restrain the rise in prices. Indeed, government planners said that it would be many months before its effect on crop production is clear, the first signs are ominous. In Bombay the monsoon was a month late, but when it came it was torrential: 15 inches of rain fell in 12 hours.

To have a large bill for wheat imports superimposed on the higher price of oil would be another terrible blow to the Indian economy. Considerable assistance from abroad—particularly, and most unapologetically, from the United States—would be essential.

On other pages

Non-alignment policy; pacts with Soviet block; sales to Britain	II
Increased exports; state agencies	III
Production problems: Handicrafts; tea; Textiles; jute; engineering; Leather; films	IV VI VN
Ports: Bombay, Mormugao; Calcutta; Madras, Cochin	VIII IX
Shipbuilding; nuclear power	X
Railways, roads; shipping services	XI
Banking; foreign aid; overseas investment	XII
Export houses; engineering technology	XIII
Flexible fifth plan	XIV
Tourism's undeveloped potential	XV

This report appears on India's Independence Day. When completed, the Export Corridors series will be republished as a booklet which will be available from John Oliver, Commercial Manager, Special Reports, The Times.

Some of Solomon's splendour came from Supāra an ancient city near Bombay



KING SOLOMON'S reign stretched from 974 to 937 B.C. He spent thirteen years of this peaceful era in building a magnificent palace. The kingdom of Israel could not supply all the lavish decor that Solomon needed. So he sent Hiram, King of Tyre, to establish trade links with distant lands and bring back a wealth of material to match his splendid plans. From Supāra, Hiram took gold, silver and 'almug' or sandal trees. King Solomon also imported ivory and peacocks from India through the navy of Tharshish.

The wise king sought Indian resources when it came to building a magnificent project. Today, wise men in leading industries in India and abroad still do the same. They call on Larsen & Toubro for engineering, construction and manufacturing services. After all, L&T has a rich reservoir of technical know-how, engineering talent and fabrication facilities necessary to design, manufacture and install plant and equipment for every vital industry—steel, cement, fertilizer, paper and pulp...

A vast manufacturing complex, L&T has a paid-up share capital and reserves of Rs. 128 million and a turnover of Rs. 680 million. The success of our service lies in the individual talents of over 10,000 people in our associate and subsidiary companies and our network of offices all over India.

Benefits of policy of non-alignment

by Tim Congdon

There are probably few other countries in the world which send their products in such a wide range of markets as India. Its former role, as the focus of Britain's colonial and imperial trade, now seems generations ago. A breakdown of the geographical direction of its exports indicates its new position in the world, as one of the foremost non-aligned nations.

In the year 1971-72 India's most important export market was the United States. Out of a total value of exports in that year of Rs16,066m (about £860m) goods worth Rs2,631m were dispatched to the United States. But not far behind were three other countries very dissimilar in their political and economic characteristics.

Foremost among them was the Soviet Union, which bought goods worth Rs2,087m. The greater part of this was under long-term trade agreements, often accompanied by aid and technical agreements designed to foster Indian industrial development. Economic collaboration between India and the Soviet Union dates from the 1950s, but has received fresh impetus recently because of India's estrangement from the United States.

Trade with the United Kingdom is the subject of a separate article. The third largest market was Japan, which imported goods worth Rs1,825m from India. Japan's growing importance to India is a fairly recent development, having been determined by the rise of Japan to the status of a leading economic power. Its most important purchase is iron ore, but there have been signs of growing interest in some finished goods, notably handloom textiles. Japan's imports of handloom textiles from India climbed from Rs8.5m in 1971 to Rs27.7m in 1972.

After these four major markets come a great many others, scattered across the globe. The United Kingdom is still a bigger buyer of Indian goods than the rest of the European Community, but exports to the E.C. have been increasing more rapidly and should soon overtake those to Britain. Ceylon and Bangladesh make large purchases, with Bangladesh still heavily dependent on India for aid, which is often tied to Indian exports. Soviet block countries, other than the Soviet Union and certain Arab states, namely Sudan, take up a significant share.

With this highly diversified trade structure India does not need to fear dependence on any one country for the success of its trade efforts. In this it is unlike some countries in South-East Asia which have been badly affected if Japan were to decide on a renewal of its former policy of economic isolationism.

Despite this the Government is trying to direct trade in certain areas, to help to define export priorities, and to isolate the most promising commercial opportunities. The principal method adopted for achieving these ends has been the completion of trade agreements with potential trade partners.

The most recent, and in many ways the most important, was a trade protocol signed on January 21 this year between India and the Soviet Union, which envisaged a 35 per cent increase in trade between the two countries this year to boost the combined total above Rs 5,000m.

The value of Russian economic cooperation is incalculable. The Soviet Union is able to supply certain goods such as kerosene, sunflower oil, and above all fertilizers, of which India is now vitally in need. But Russian demands on India are much more readily met, being for such items as tea, leather goods, textiles and ready-made clothing which can be produced in much larger amounts without much difficulty. However, some disappointment has been expressed that the Soviet Union has felt unable to send any supplies of crude oil and that it does not intend to increase its shipments of newsprint.

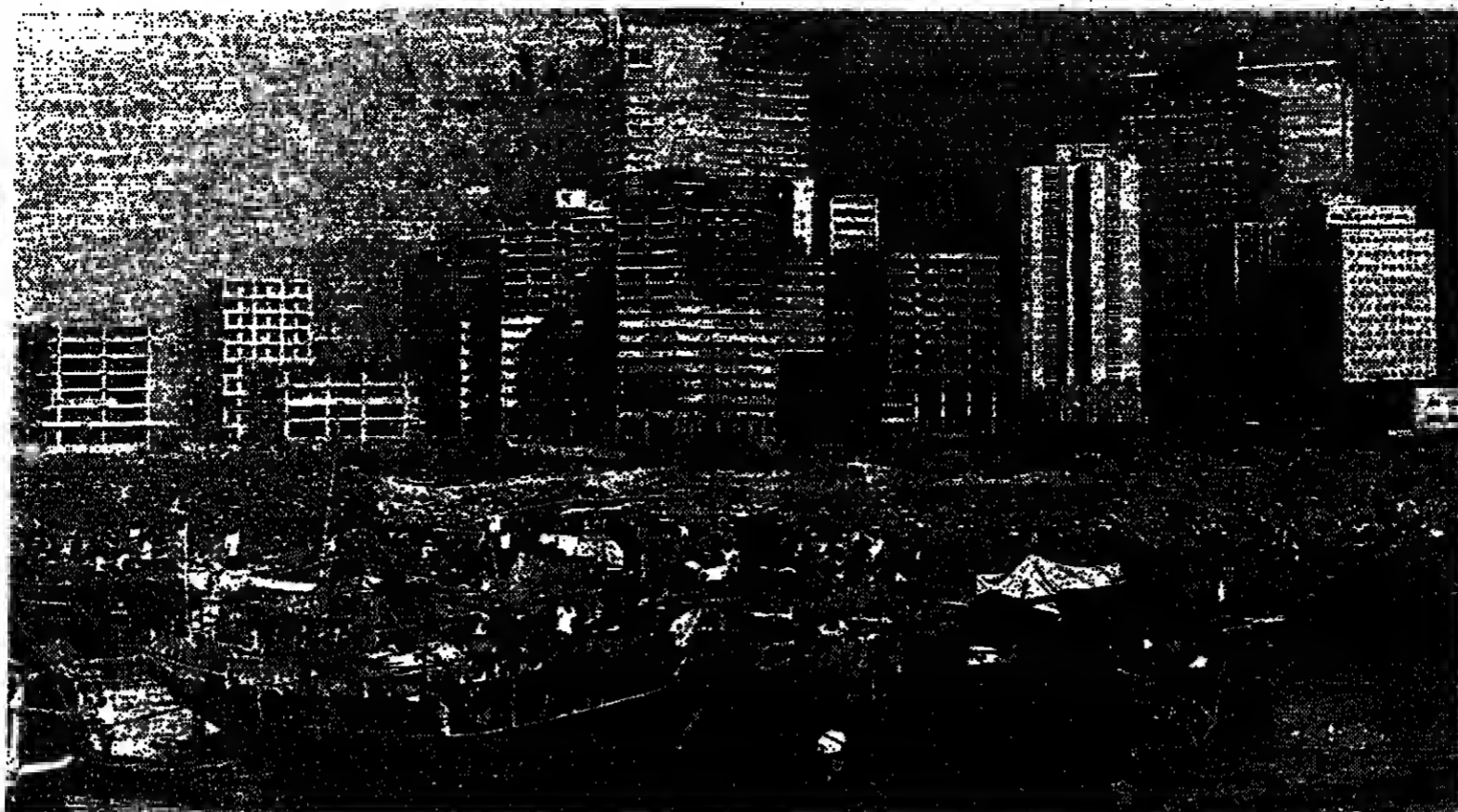
Because of recent differences with the United States, India has concentrated attempts to improve its trade relations with the western economies on the EEC. On December 17 last year a comprehensive commercial cooperation agreement was reached with the Community, covering an unusually wide range. By containing references to joint investment policy and the transfer of technology it far exceeded the bounds of ordinary trade arrangements. But, even in the bumpy area of tariffs and quotas, great progress was made. The enforcement of the common EEC tariff on British imports was deferred for another 12 months, and the Community growth of trade between India and the Soviet block, and with the Soviet Union in particular, as a result of which the latter country emerged as India's most important export market in 1970-71.

Since then exports to Russia have increased by a further 50 per cent in value, compared with a 28 per cent in total exports. The Soviet Union took a sixth of India's total exports in 1972-73, but, somewhat surprisingly, supplied only 6 per cent of its total imports, a figure which at first sight is not easy to reconcile with the widespread impression that the Soviet Union has in some sense replaced the United Kingdom and the United States (which together supplied more than a quarter of India's imports in the same year) as the main source of external support for the Indian economy.

One of the reasons why this figure is now so readily accepted is no doubt the considerable publicity given to the visit of Mr Brezhnev to India towards the end of last year when the two countries agreed on a massive increase in trade. This reflected the Soviet Union's readiness to assist India's development programme, particularly with respect to the expansion of the steel, oil and power industries through credits. The amounts and terms and conditions of which will be settled by separate agreements.

Despite the obvious importance of this new initiative, it is not the first of its kind; that was signed in December, 1962, at a time when the volume of trade between the two countries was negligible.

Growth from such a low base always tends to appear



A picturesque fishing community at Nariman Point, Bombay, with modern buildings rising on reclaimed land.

Pacts with Soviet block may lose their gloss

by Christopher Davis group economist, National and Grindlays Bank

The pattern of India's foreign trade has changed rapidly in recent years. More often than not it has proved difficult to distinguish between features of a purely temporary nature and those which have represented longer-term trends. One exception to this, however, has been the dramatic growth of trade between India and the Soviet block, and with the Soviet Union in particular, as a result of which the latter country emerged as India's most important export market in 1970-71.

Since then exports to Russia have increased by a further 50 per cent in value, compared with a 28 per cent in total exports. The Soviet Union took a sixth of India's total exports in 1972-73, but, somewhat surprisingly, supplied only 6 per cent of its total imports, a figure which at first sight is not easy to reconcile with the widespread impression that the Soviet Union has in some sense replaced the United Kingdom and the United States (which together supplied more than a quarter of India's imports in the same year) as the main source of external support for the Indian economy.

One of the reasons why this figure is now so readily accepted is no doubt the considerable publicity given to the visit of Mr Brezhnev to India towards the end of last year when the two countries agreed on a massive increase in trade. This reflected the Soviet Union's readiness to assist India's development programme, particularly with respect to the expansion of the steel, oil and power industries through credits. The amounts and terms and conditions of which will be settled by separate agreements.

Despite the obvious importance of this new initiative, it is not the first of its kind; that was signed in December, 1962, at a time when the volume of trade between the two countries was negligible.

Growth from such a low base always tends to appear

impressive when expressed in percentage terms. Many Indian economists note the fairly long time-lag that occurred between early statements of intent by the two countries to establish a closer economic relationship and the emergence of the Soviet Union as one of India's major trading partners.

The latest agreement covers a 15-year period and thus stretches well beyond India's new plan period, so it reflects recognition by both parties that the areas in which Russian assistance is to be provided are those in which gestation periods tend to be rather long.

There is, in other words, little evidence from the information so far available of the Soviet Union's intent—even assuming it has the economic capability—of providing direct and substantial support of the kind that the Indian economy appears more likely to require in the difficult period that lies immediately ahead.

Against this background, it follows that the recent emergence of the Soviet Union as one of India's trading partners needs to be analysed not only in terms of successive trade agreements but also in the light of India's own import requirements and export availabilities, thus emphasizing the relationship that exists between the geographical pattern of the country's foreign trade and its commodity structure.

This relationship has been most obvious in the case of imports, where since the disastrous harvests of the mid-1960s and the subsequent benefits of the green revolution on foodgrain production, imports from the United States have fallen from 35 per cent of total imports in 1965-66 to a mere 13 per cent in 1972-73.

Likewise, imports from the United Kingdom also declined sharply in the late 1960s (a period in which the level of new investment in India was not buoyant), but then increased strongly again at the beginning of this decade since Indian import demand for such products as iron and steel and machinery recovered.

But the same has also applied to exports, where one of the reasons why traditional markets such as the United States and the United Kingdom have tended to decline in importance has simply been the large proportion of such trade still accounted for by traditional products (for example, jute, manufacturers and tea) which have been held back by slow growth in demand and adverse price trends.

By the same token, one of the most significant features of the commodity structure of India's exports to the Soviet Union in recent years has been its large component of non-traditional exports, although there again the Soviet Union is by no means the only market in which sales have been successfully promoted of a wide range of new products including iron ore (for which Japan has been the most obvious outlet), engineering goods (markets for which have been successfully won in a large number of developing countries in Africa, the Middle East and Asia), and leather goods.

Recent experience can thus be taken as indicating that over the medium term the pattern of India's trade may well be less influenced than is commonly supposed by new trade agreements with the Soviet block as such than by the pressures now evident in the world economy, coupled with the extent to which the developed market economies are able to meet their demands and to take steps to meet the legitimate demands of countries such as India for freer access to their markets. Only an optimist would link for most progress on this front over the next two years at least. For this reason, the Government of India has rightly pointed out that "our trade relations with the countries of Eastern Europe could impart a welcome element of stability to our exports".

This welcome element nevertheless carries with it one major disadvantage: bilateral trade is not, by definition, the source of the free foreign exchange earnings which India requires to meet the increased cost of such imports. This new balance of payments burden and the

urgency with which the Government has already started to tackle the problem suggests that even if trade agreements are assumed to be an important factor in trade flows, the most significant of those recently concluded by India are not necessarily those with the Soviet block but with countries such as Iraq and Iran.

In the case of Iran, for example, substantial quantities of oil are to be purchased on deferred terms, while Iran is to make available nearly \$400m for the development of new export resources, notably alumina and iron ore pellets. The possibility that similar agreements may be signed with other major oil producing states in the Middle East before long only serves to reinforce this conclusion.

Another agreement that can be cited as potential, if not so immediate importance is the Commercial Cooperation Agreement signed between India and the European Community late last year, and

although it is difficult at this stage to quantify the likely benefits of this to India, it could at least go some way towards mitigating the effects of British entry into the Community.

There are enough uncertainties in the situation to make it virtually impossible to assess just how far the pattern of India's trade will change as a result of recent developments, since the importance of all bilateral agreements in terms of trade flows ultimately depends on the growth in trade carried out on a multilateral (that is free exchange) basis.

For India, prospects on the latter front are in turn dependent on how quickly the developed market economies adjust to their new position in the world economy, to what extent they will be prepared to provide freer access to imports from the developing world over the next few years, and, last, India's own ability to maintain its competitive position in world markets during this same period.

Better outlook for sales to Britain

Britain is India's oldest market, but it is no longer dominant or even the most important single customer. India has been accounting for a steadily declining share of Britain's imports. In 1964 Britain's imports from India, at £141.3m, were 2.5 per cent of total British imports; in 1972 at £112.2m, they were 1 per cent.

But there have recently been signs that this trend is being reversed. Indian exports to Britain rose £36.4m from the 1972 level in 1973. For the first time in many years they rose both as a share of India's exports and as a share of Britain's imports. Nevertheless, at a mere 1.2 per cent of Britain's imports, considerable scope for expansion remains.

Commercial links between the two countries are long standing and remain strong. The business community in India speaks English, and native languages are required only intermittently in business conversations, usually as a sign of cordiality, rather than for greater convenience.

India is proud of the engineering exports it has been able to sell in Britain. Kirloskar Oil Engines of Poona, near Bombay, has been given an order for 2,500 engines by equipment manufacturers in Britain. The Government gave help with freight on the first consignment by enabling Kirloskar to use an Indian Air Force base.

There have been reports recently of many British companies giving orders to their Indian subsidiaries because of production difficulties in Britain. Conditions in Britain and India have been similar during the past 18 months, with the devaluation of both the pound and rupee making it cheaper for manufacturers to produce in them than in other countries.

But the devaluations have had other effects. Because prices in Britain are now so competitive, Indian textile exports have been adversely affected. For example, while Britain and West Germany spent almost equal amounts on handloom goods in the year ending March 31, 1972—Rs31.6m and Rs31.2m respectively—in 1973 West Germany spent Rs47.5m compared with Britain's Rs24.8m.

Similar considerations apply to other exports, such as handicrafts. Because of the gradual appreciation of the mark, and the greater wealth of the American and West German markets, they are more significant importers. The United States bought Rs 255m worth of handicrafts in the year in March, 1973, and West Germany spent Rs 123m, compared with Britain's Rs 89m.

Leading holder of capital

Equally important is the large stake that British companies hold in Indian industry and plantation agriculture. Investment by Britain since independence has been only slightly heavier than that of any other Western country, but as British capital was predominant until 1949 Britain is still by far the leading foreign holder of capital in India.

The arranging of loans and credit for export business is also particularly easy in Britain's case. Most of the foreign banks are British, with National and Grindlays foremost. Because of the language tie after-sales service is more readily provided than in Europe or Japan. Public buildings, and the extra of the Civil Service, date from the imperial period and the names of papers—such as the *Times of India* and *The Statesman*—each those of leading papers in Britain.

The fact that Britain has become a less important trading partner despite these advantages is in part a reflection of the gradual diversification of Indian export activity. As such categories as seafoods and engineering goods have grown in significance, and since these have been dispatched for the most part to non-traditional markets Britain has become less important.

It is also due to deliberate policy decisions by the Indian Government. The encouragement of trade links with East European countries has caused them to assume a more central role in Indian trade, with Britain, if not shunned to the sidelines, at any rate of secondary significance.

Nevertheless Britain still buys nearly £30m of textiles and almost £20m of leather and leather manufactured goods. The other main item is £26m of tea and coffee imports, with a further £15m of packaged tea imports.

The most striking feature of Anglo-Indian trade in recent years is the stability of the export total, com-

Tea and jute in large amounts

Hopes for future growth in Anglo-Indian trade hinge on two factors. First, that the traditional exports of tea and jute should continue to be sent to Britain in large amounts. But their expansion depends on an improvement in unit value realization, either through producer agreements or through a change in demand patterns. Jute demand, for example, might pick up if synthetic materials continue to remain expensive because of the rise in oil prices.

Second, further growth in the British economy will be needed, combined with some lowering of the rupee/pound parity. Without these developments it will make more sense for Indian exporters to send their products—many of which, such as leather goods, clothing and seafoods, are highly price-sensitive—to West Germany, Japan or the United States, where prices are higher and demand stronger.

Despite this the outlook for Anglo-Indian trade is good. The former political connections between the two countries make Britain a natural outlet for Indian goods, while the recent tendency for Indian exports to pick up in foreign markets throughout the world is unlikely to pass Britain by.



Mr Brezhnev with President Giri during his talks in India last year



Namaste!

From Brooke Bond India to customers in 52 countries

Record Exports worth over £15,200,000 in a single year!

Today Brooke Bond India is a major contender in export markets. In addition to its traditional exports of tea, Brooke Bond India now markets raw coffee beans, conventional coffee, instant coffee, tea-bags, packet teas, spices, curry powders and marine products to as many as 52 countries all over the world. Particularly noteworthy are its exports of bulk coffee and spices. In 1973/74 Brooke Bond India sold over 9400 tonnes of bulk coffee and 5300 tonnes of spices. Brooke Bond India teabags also recorded excellent progress.

Credit for this performance goes to Brooke Bond

India's special understanding of faraway peoples and places. Every year senior executives from Brooke Bond India rove the world exploring new markets, gathering information, understanding the preferences of distant peoples.

And these efforts have paid off. During the year ended June 1974, sales of Brooke Bond India coffees, teas and spices resulted in export earnings of over £15.2 million, which exceeds 1% of India's total export earnings. This is Brooke Bond India's way of saying 'thank you' to the nation that has been its home for 71 years.

Brooke Bond India Limited
9 Shakespeare Sarani, Calcutta 700 016, India

سازمان بازرگانی

Greater efforts are needed to increase exports which lag well behind world trends. But unless productivity is increased there could be an inflationary effect on the domestic market. On this page and on pages IV, VI and VII we look at how these problems are being tackled by various sectors of industry

Increased sales abroad bring some confidence in future

by Amalendu Das Gupta
The Statesman, Calcutta

India's exports are still rising at a much slower rate than world exports. Yet a substantial increase in export earnings during the last two years is one of the reassuring features of the economy. The increase is not necessarily reflective of best possible development of export industries. It has at least generated confidence in their future and focused attention on their relative potential.

relevant rupee exchange rate could be misleading because of different methods of compilation and variations in exchange rates. However, according to Director General of Commercial Intelligence and Statistics, Indian exports worth more than 90m in 1972-73, an increase of about 22 per cent over the preceding year. Annual compound growth during the three years of the plan, ending in 1971, is only about 5.8 per cent. The 1972-73 exports in those to Bangladesh, were not exactly within the category of normal goods. But even if these are added, the increase in exports works out to more than 5 per cent, the highest annual growth since the Indo-Pakistani War.

well as they should have during the past two years; and earnings from tea have hardly increased. Yet jute goods and tea are still at the head of India's export table, accounting for nearly a fifth of the total earnings. Coffee, tobacco, spices, cashew nuts and oilseeds, which are also traditional, account for about one eighth of the total. This hardly bears out the claim that Indian exports are now largely non-traditional. Even cotton textiles and leather and leather manufactures are not exactly non-traditional. Cotton textiles certainly are not, even though the export of piece goods is a fairly new feature. Although leather and leather manufactures are usually regarded as non-traditional, their export merely follows the traditional export of hides and skins. The emphasis on processing and manufacture is more a technological development than a new beginning.

Perhaps the most successful among non-traditional items have been handicrafts and marine products, which between them now earn something like Rs2,200m in foreign exchange. Engineering goods, with an export figure of more than Rs1,400m, are potentially more important; but their performance so far has been far below the potential. Other non-traditional items include iron ore, iron and steel, chemical and allied products, footwear and handloom products.

Certain commodities have lately shown an impressive export potential. For example, Basmati rice, a fine and fragrant variety, has a ready and large market in the Gulf States which, it is estimated, could take as much as 50,000 tonnes. Export of this expensive rice would be no great deprivation for the home market. Similarly, the exportable surplus of coffee could be profitably increased. Sugar exports, too, could be increased by restricting domestic consumption. There would be shortages and high prices at home, but if something like 400,000 tonnes are exported, about Rs1,000m might be earned in foreign exchange.



Jute is laid out in the sun before it is gathered into bundles and sent to the factories.

based on further development of both traditional and non-traditional export industries. The programme will have to take more of recent performance. The most significant gains during the past two years have been recorded by oilseeds and vegetable oils, handicrafts, leather and leather manufactures, cotton textiles, engineering goods, fish and fish preparations. The rapid increase in the export of oilseeds has been due to generally poor supplies in international markets and higher demand from countries like Poland, Japan and Russia. Another factor has been fishmeal and soyabean meal shortages in Western Europe. But the trend is unlikely to be maintained; indeed export earnings from oilseeds may be considerably reduced within a few years. Export of handicrafts, however, has still a considerable potential for growth. Handicrafts industries, which are dispersed all over India (accounting for a large and pleasing variety of products), have greatly developed in recent years. Their main problems are to organize large numbers of craftsmen and keep pace with changing tastes abroad. Leather and leather manufactures and cotton textiles should also continue to do well. Leather industries, too, are located in many parts of India, especially Uttar Pradesh, Orissa, and Tamil Nadu. These industries, however, have

been facing some difficulty with raw material supplies; and restrictions have had to be imposed on the export of semi-processed hides and skins. The cotton mills have been affected by power shortages; however, the power situation in western India, which is now the industry's most important base, is not as bad as in some other parts of the country. Anyway, the industry has greatly profited from a comfortable supply of raw cotton at a time when a decline in cotton production and a sharp rise in cotton prices has pushed up textile production costs elsewhere.

International demand for Indian cotton textiles has been remarkably buoyant; and the industry has been able to meet it in both quantity and quality. Piece-goods now account for 55 per cent by per cent of all mill-made cotton cloth exports. The power crisis has had a far more serious effect on the engineering industry, especially because many of the units are located in West Bengal where power shortage has been acute and prolonged. The units in western India have done better. The industry, however, has been additionally handicapped by a shortage of steel and other raw materials. If these goods also cannot be removed, there should be no difficulty in more than doubling the export of engineering goods within the next five years.

A substantial increase in iron and steel exports is also envisaged, but their contribution would still be small. A much larger source of foreign exchange is iron ore, whose export is expected to increase a great deal more. One of the most encouraging additions to Indian exports has been fish and fish products. Both coastal and deep-sea fishing have expanded, and processing units have grown along the Malabar and Coromandel coasts and on the Orissa coast belt. Here, at least, is a success story in a truly non-traditional field. Generally, however, export industries with the greatest growth potential are severely handicapped by

shortages of power and raw materials. They cannot grow and restrictions have had to be imposed on the export of semi-processed hides and skins. The cotton mills have been affected by power shortages; however, the power situation in western India, which is now the industry's most important base, is not as bad as in some other parts of the country. Anyway, the industry has greatly profited from a comfortable supply of raw cotton at a time when a decline in cotton production and a sharp rise in cotton prices has pushed up textile production costs elsewhere.

International demand for Indian cotton textiles has been remarkably buoyant; and the industry has been able to meet it in both quantity and quality. Piece-goods now account for 55 per cent by per cent of all mill-made cotton cloth exports. The power crisis has had a far more serious effect on the engineering industry, especially because many of the units are located in West Bengal where power shortage has been acute and prolonged. The units in western India have done better. The industry, however, has been additionally handicapped by a shortage of steel and other raw materials. If these goods also cannot be removed, there should be no difficulty in more than doubling the export of engineering goods within the next five years.

A substantial increase in iron and steel exports is also envisaged, but their contribution would still be small. A much larger source of foreign exchange is iron ore, whose export is expected to increase a great deal more. One of the most encouraging additions to Indian exports has been fish and fish products. Both coastal and deep-sea fishing have expanded, and processing units have grown along the Malabar and Coromandel coasts and on the Orissa coast belt. Here, at least, is a success story in a truly non-traditional field. Generally, however, export industries with the greatest growth potential are severely handicapped by

State agencies' important role

As part of the Indian Government's efforts to encourage a mixed economy two important trading agencies, the State Trading Corporation and the Minerals and Metals Trading Corporation have been established. Together they account for over a third of Indian export activity, with an export turnover of more than £300m.

The State Trading Corporation was set up in 1956, mainly to organize India's trade with members of the Soviet block. But it has subsequently expanded its range of operations, and trades extensively with Europe, the United States and Japan. However, it has preserved its character as a publicly owned and socially-motivated company, with the Government continuing to be the only shareholder. Each year it pays a dividend to the Government on its profits, which at Rs147m (about £8m) are considerable.

The Minerals and Metals Trading Corporation has a turnover about twice as big, but it concentrates on the export of iron ore and therefore is less noticed in the nation's business and commercial life. It also is bannished to the Government's objectives, and should contribute to the smooth operation of the recent agreement between Iran and India on economic cooperation. India has to export pelletized iron in exchange for some of Iran's oil.

state undertakings do not have to justify themselves in profit or loss terms, or that they are given preferential treatment over private companies. For example, in the regular auctions for coffee and tea the corporation has to compete on equal terms with private export companies. It also does not abuse its formidable market power to obtain an advantage over other concerns. Its ability to do so is not in doubt, as it can arrange credit more easily than private companies, because, as a government-backed organization, few risks are involved.

The policy of canalization is under review. The Kaul committee set up to examine the working of the policy expected to publish its report this month. It has been suggested in the press that some liberalization of procedures may be recommended. The Ministry of Finance is favourably disposed to such suggestions, but the Government's determination to increase exports of finished rather than semi-finished goods is also clearly apparent in its attitude towards the corporation. Since the late 1960s the export of tanned leather has been growing swiftly. But it has been felt that a good opportunity of earning more foreign exchange has been missed, as most value is added when the leather is made into finished goods. Last year, therefore, a quota was placed on the export of tanned leather, and it was made a canalized item to be handled by the corporation.

There have recently been suggestions that the export of books will be canalized. Certain fiscal incentives are given but some abuse has been reported. Publishers were importing books and then exporting them for the sole purpose of gaining the financial benefits of the incentives. To curb this practice it has been suggested that the private exporters should be licensed to export the entire operation be carried out. However, the Government is not likely to do this because of the size of its business. The corporation finds it

comparatively easy to obtain warehousing facilities and freight. This also has become important recently with the 1973 world trade boom making it increasingly difficult to find freight space. Finally, because of its considerable financial resources, the corporation is pioneering the export of new products. In the early years of development this often involves losses, as it takes time for contracts to be established. An example is the export of mangoes to Britain, which is beginning to pay its way.

The other principal function of the State Trading Corporation is to serve as an instrument of government policy. This is done on a fairly regular basis, in connection with such things as the planning of the corporation's foreign exchange requirements. The Ministry of Finance is favourably disposed to such suggestions, but the Government's determination to increase exports of finished rather than semi-finished goods is also clearly apparent in its attitude towards the corporation. Since the late 1960s the export of tanned leather has been growing swiftly. But it has been felt that a good opportunity of earning more foreign exchange has been missed, as most value is added when the leather is made into finished goods. Last year, therefore, a quota was placed on the export of tanned leather, and it was made a canalized item to be handled by the corporation.

There have recently been suggestions that the export of books will be canalized. Certain fiscal incentives are given but some abuse has been reported. Publishers were importing books and then exporting them for the sole purpose of gaining the financial benefits of the incentives. To curb this practice it has been suggested that the private exporters should be licensed to export the entire operation be carried out. However, the Government is not likely to do this because of the size of its business. The corporation finds it

Putting more of India into every Tea pack is our job

We mean Indian Tea, of course, produced by almost a million men, women and children in the shade of the Himalayas and the Blue Mountains of the South. And we do everything possible to see that a packet of tea, be it in the United Kingdom or the Continent, the Americas, Japan, Down Under or the Middle East, contains more and more of your favourite Indian Tea. You can get the famous Darjeeling Tea—exotic, aromatic, or if you prefer, Assam—enticing, inviting and strong. You may of course, like Nilgiris—smooth, delicate and irresistible. And then there are the blenders who perform the "trick" of putting all of India—and something else—in the Tea packets containing strength, flavour and colour, thereby making Indian "Cha" the international "cuppa"

No wonder the world has taken to Indian Tea




Tea Board India
56 New Bond Street,
London, W1Y 9 DG. Phone: 01-493 7516/7
India Tea Centre
343/349, Oxford Street,
London, W. 1 Phone: GROSVENOR 1975

سكز لمن (الاميل)

Burdens on tea make fight with competitors harder

by Amalendu Das Gupta

The notion that Indian tea exports have been doing badly in recent years is only partly true. It would be more accurate to say that the volume of exports and export earnings has remained largely static. Except for a fall in 1969, due to drought and a strike, production has steadily increased during the past 10 years, and now stands at more than 450,000 tonnes a year. It has approximately doubled in the past 30 years.

But since the early 1950s exports have remained about 200,000 tonnes; in 1969-70 they dropped to 172,000 tonnes. Exports from Ceylon and Indonesia have also failed to show any marked increase in recent years. But exports from East Africa rose from less than 53,000 tonnes in 1963 to more than 115,000 tonnes in 1972.

Exports from India's tea estates have also been stagnant. As well as poor earnings in 1969-70, there was also a fall in 1972-73 when India exported tea worth Rs1,470m (over 77m) against Rs1,560m in 1971-72. There was stronger competition from East Africa; and in spite of the commodity boom the unit value in 1972-73 was about the same as in 1971-72 and lower than in the two preceding years. The situation improved a little in 1973-74 in terms of both unit value and the volume of export.

Effect of external factors

This shows that the problems of the Indian tea industry are not entirely, or even mainly, internal. Like other enterprises, tea is affected by shortages of essential supplies, such as fertilizer, furnace oil, coal and cement. Many units are also plagued by mismanagement and shortage of capital for replantation, replacement of plant and modernization of equipment and methods.

There are nearly 12,000 tea gardens in India, of which only 2,000 to 3,000

are fairly large plantations. Many of the small units have become uneconomic and several have been closed. The Government recently announced a decision to introduce legislation to take over the "sick" and closed gardens.

But this is not a problem of much consequence to the export outlook. More serious is an increase in production costs; and a still bigger problem, in the industry's view, is a steady rise in excise duty. The duty on tea is estimated to have been increased by more than 400 per cent between 1953 and 1970. Despite inflationary pressures, ex-factory costs in India are still lower than in Kenya. But with its burden of duties, it is difficult for Indian tea to compete with the East African varieties in the export markets.

The fiscal policy has been largely guided by the traditional notion that Indian tea is the best in the world and has nothing to fear from competition. There is certainly nothing to bear the best of Indian tea, but this is not more than 10 per cent of the total production and is made up of pickings from what is known as the "second flush" in Darjeeling and Assam. There may be as many as 10 or 12 flushes at both places, and tea is also grown elsewhere in the country.

Assam produces about 50 per cent of India's tea, North Bengal (with its famous Darjeeling variety) 22 per cent, South India (Tamil Nadu, Kerala and Mysore) 25 per cent, and other scattered centres 2 per cent. The main export varieties are Assam, Darjeeling and Nilgiris (South India).

While South Indian gardens produce crops throughout the year, the bushes in Assam and Darjeeling are dormant for a few months. In Assam, for example, 75 per cent of the crop is harvested from September to November, the worst period for quality. The best period, for about two weeks, is in June; in Darjeeling the best period is April-May. This explains the uneven quality of Indian tea and

the small proportion of the best quality. The fiscal policy seems to have taken insufficient note of this pattern, or of the fact that the average Indian tea is not necessarily better than that of other countries. East African countries have expanded and improved production and have exported at highly competitive prices. But unless there is a steady increase in demand, East Africa too will be obliged to review its pricing policy, indeed some rethinking has already taken place.

Talks on quota arrangements

It would be unrealistic to expect export prices to rise substantially as a result of higher demand. But there is at least an assured demand, most of which is met by India, Ceylon, Kenya and Indonesia. These countries could, therefore, take joint action to restrict supplies and step up export prices to the highest level that the international market would bear.

Discussions on these lines have already been held, and a beginning has been made with informal agreements on export quotas and other matters. Further consultations are taking place to give shape to something like a tea consortium, possibly with the participation of Bangladesh and Malawi.

In this connection there is some resentment in Indian tea circles about the London tea auction, London still exerts considerable influence as a price-setter in the international tea trade; and it is felt that this influence has been responsible for depressing tea prices in other markets as well.

Some Indian tea industry sources maintain that buyers in other countries would have agreed to pay more if supplies from London had not been available. There is a strong body of opinion in favour of discontinuing Indian tea supplies to the London auction, provided other exporting countries can also be persuaded to adopt a similar policy.



Tea pickers are headstrong girls in Assam, where the estates are responsible for about half the Indian production.

Hand-made goods, cheap or costly, earn healthy profits for the retailer abroad

by a Special Correspondent

One thing that you must remember is that the handicrafts trade in India is routinely by the private sector—that is why it is so successful. That comment from an Indian businessman certainly reflects surprising export growth in handicrafts, carried out through cottage industries in an 80 per cent rural society.

Growth is impressive—in 956 first exports were valued at Rs70m (£3.9m) and nearly 20 years later at Rs1,600m (£89.9m). By 1979 the total is expected to be Rs3,000m (£166.6m), while total annual production, all at cost price, is estimated at Rs4,000m (£222m). Export figures are more

dramatic when it is realized that the producer has not seen similar increases in the amount he is paid for his hand-made goods. An Indian exporter recently returned from a trip to Europe estimated that Indian handicrafts were being sold at some five times the original production cost. A spokesman for the All India Handicrafts Board (AIHB) says the best-selling kutch embroidered shirt from Gujarat, with tiny mirrors stitched into the embroidery, costs about Rs15 to produce but the woman making four or five a day probably receives only one rupee per shirt.

He believes that this image of cheap goods is bad. The utilitarian items, as opposed to expensive carpets and shawl work, are not only cheap but hand-made

and well made. "So many Europeans and others are fed up with the hard nylon collar—they want cotton, and from India they are actually getting good hand-made products which their home markets cannot produce," he said.

Also, he believes that brass work is sold too cheaply. India has massive stocks of scrap and produces cheap brass despite the fact that it imports some copper and zinc. Copper has doubled its international price while zinc has gone up 80 per cent. The home scrap is therefore being misused and no long-term price increase factor is being built in. Likewise the producer of handicrafts has not seen the benefit of international price rises as the Indian middleman has exploited him by continuing to pay low prices to safeguard his export margin.

The cheap kutch shirt is

the kind of item which makes a good profit for the retailer abroad and reaches a wide market at a cheap price. At the other end of the scale are the luxury items, well beyond the means of most Indians, yet still showing a small profit margin for the producer. One is the Kashmir or Srinagar shawl, made from Pashmina wool—the soft hairs under the chin and neck of the Angora goat. Wool for one shawl will cost the embroiderer about Rs800, his own work for 30 days will bring him about Rs300 and the finished item will sell in India for between Rs1,500 and Rs2,000. These shawls, together with carpets (and 95 per cent of production is still hand-made and considered much cheaper than Afghan, Pakistan and Iranian equivalents), have to be aimed at the small luxury sector of the foreign market.

The United States leads on

total value of handicraft imports, followed by Belgium and Luxembourg (although the bulk of this trade is in the cutting, polishing and setting of precious stones imported from these two countries to India). Hong Kong comes next, then West Germany, Japan, the United Kingdom and then The Netherlands.

Most producers work through their guilds or associations and these form old and well-tried channels for communication with the Government and the AIHB. The board helps to smooth out difficulties at all levels, whether it be electricity or water supply problems in difficult periods or helping with export services. One difficulty facing exporters, according to the board, is freighting out of India. Handicrafts are moved out mainly by foreign shipping lines because the Indian

Merchant Navy is not big enough. But few foreign ships call at Indian ports.

Freight is expensive and delays are caused by lack of cargo space and congestion at Indian ports. Some items do not face this problem, particularly the precious stone trade. But this craft and its import-export aspects are very old and well-established and have always run smoothly, mainly because it provides a service industry for Belgium and Luxembourg as well as for Hong Kong and the United States. Gold and silver are imported, but there are ample stocks in India.

A noticeable trend in recent years is that the export of raw handicraft materials is gradually diminishing, enabling more people in India to benefit from the various processes involved. Wool exports are now restricted by quota to

keep the home market satisfied and to ensure the export of finished articles, and the same applies to leather.

One up-and-coming industry on the export side and a fitting companion for gems, lacquered enamels, hand-printed silks, rosewood, carved horn and ivory chess sets, is the perfume industry. This year the Perfumes and Flavours Association of India celebrates its twenty-fifth anniversary and is making a determined publicity effort to get the Government to relax import controls on synthetic chemicals that are bedevilling its attempts to get through to Europe.

The heavy, lingering natural perfumes of India, such as sandalwood, khus and henna—more used by the Indian male than his mate—are generally not acceptable to the foreign taste. However, their combination with syn-

thetic chemicals, which with alcohol form the base of many European perfumes, makes it possible to lighten the product while introducing a whole new range of scents.

But perfume exports are going on apace. In 1972, covering the whole range which might go into perfumes for the boudoir as well as tooth-paste and toilet disinfectant, they totalled Rs43.5m, and went to 100 countries, with the main markets in East Asia, Australia and New Zealand, and the Middle East and North Africa, where they are remarkably successful.

Most houses are in the small-scale sector and face competition from the giant international houses. They are also plagued by alcohol supply problems in a country with both wet and dry states, differing alcohol duties at inter-state borders and a bottling industry, particularly for the toilette per-

fumes, which is not advanced enough in its packaging policies or designs.

Some experts estimate the India could more than double its foreign exchange earnings from the export of perfumes, cosmetics, toiletries and essential oils, if the technology was allowed to develop and there was better organization.

The resources are there—India produces 95 tonnes of sandalwood oil a year and 55 tonnes of that is exported while the sandalwood-based Joss sticks, so well known around the world, were produced to the tune of 5,000 tonnes last year.

The perfume manufacturers will be more than happy when they achieve the same success abroad with their age-old products as the craftsman in the village working at his trade for a customer he will never see and countries he will almost certainly never visit.



Your list of imports may mean a lot of running around. Even when you've found the right market. But not any more. Not with the Trade Development Authority (TDA) around. With a readymade list of the best buys that can be tailored to your requirements.

TDA is a specialised agency, set up by the Government of India. To put you in touch with the best-equipped suppliers. Ensuring products that conform to international standards. At the most competitive rates. With TDA supervising every stage.

Investment Opportunities in India—low cost, abundant labour.

TDA also arranges

- 1) Investment opportunities in export-oriented joint ventures, within export processing zones or outside.
- 2) Sub-contracting of production.
- 3) Transfer of plants which will give you finished products at low cost.
- 4) Conversion deals. (You supply the raw materials and get back finished products by paying conversion charges only.)

by introducing you to the right entrepreneurs in India and assisting you in seeing your project through.

So you don't need to worry about quality. Or time-schedules. In fact, you don't even need to draw up a list.

What others have to say about us

"...a field developed by TDA with great success is that of rifle point marketing, which involves matching buyers and sellers with a degree of precision unknown..."

—World Trade News, London

Our list of bargains

- * Electronics
- * Bicycles and components
- * Auto ancillaries
- * Industrial fasteners
- * Castings and forgings
- * Tools
- * Leather goods and garments
- * Readymade garments
- * Handicrafts
- * Sports goods.

A range of quality products that have already found their way into the U.K., Western Europe, U.S.A., Canada, Japan, Australia and New Zealand through TDA.

Address your enquiries to:

tda
Trade Development Authority

P. O. Box 767 New Delhi 110001 India
Grams : ADEPT Telex : 2735

Frankfurt Office:
6 Frankfurt/Main Helligkeuzgasse 14
West Germany
Cables : ADEPT Telex : 413004 Addept d

New York Office:
666, Fifth Avenue New York N. Y. 10015 USA
Grams : NY Addept Telex : 236906 Addept UK

سكينة من الاصل

insulation forms
device
expo
and Euro
helped India
reliance
genera-
ment
structure,
seeking — an
entry into
ive, sophis
kets: Austr
Poland, W
the UK...

Micanite insulation from BHEL forms protective device in commutators exported to the USA and Europe.

Having helped India achieve self-reliance in power generation equipment manufacture, BHEL is seeking—and getting—entry into competitive, sophisticated markets: Australia, Canada, Poland, West Germany, the UK....

Success in winning international orders is proof.

Proof that BHEL products are competitive in both price and quality.

Take the United States, for example. Or the UK. Or West Germany. They have a choice of the biggest names in electricals. Yet, BHEL products are gaining increasing acceptance there.

So are BHEL products in Australia, Canada, Poland, Iraq, Cambodia, Kenya, Kuwait, Malawi, Malaysia, Singapore, Sri Lanka, Switzerland, UAR and Uganda.

And they chose equipment like high pressure boilers, valves, switchgear, capacitors, transformers, synchronous motors...

"BHEL and the international Power Club"

India is one of the few countries in the world which manufactures its own power generation equipment. In fact, India has not only achieved self-reliance, but has also developed the technology to compete successfully on an international basis.

There has been a sevenfold increase in India's power generation capacity between 1951 and 1974. What's more, between 1974 and 1984, the present power generation capacity will treble!

There will also be a corresponding increase in the demand for transmitting equipment, industrial electricals, traction equipment, centrifugal compressors, process boilers and valves.

And Bharat Heavy Electricals Limited is helping India to be not only self-sufficient in power generation equipment manufacture, but also self-generating.

BHEL is geared to serve India's growing need for power generation, transmission, and utilisation.

Up to now, BHEL has supplied electrical plant and equipment to cover 27 hydro sets and 27 thermal sets. A further 79 hydro sets and 32 thermal sets are currently in different stages of design and manufacture.

That's not all. BHEL also supplies the widest possible range of industrial electricals: motors, traction equipment, compressors, rectifiers, rectiformers, switchgear, control gear and many more.

The BHEL complex employs over 45,000 people and has

four manufacturing units located at Bhopal, Hardwar, Hyderabad and Tiruchirapalli.

In addition to its power projects division and engineering consultancy, BHEL has set up a full-fledged research and development unit and a services and spares unit.

BHEL: Exporting brains as well!

Today, BHEL is in a position to export more than hardware.

BHEL has its own power projects division and engineering consultancy, which can quote for and undertake turnkey projects on an international basis. BHEL is prepared to design, manufacture and commission electrical power generation, transmission and distribution equipment for thermal and hydro projects and also industrial complexes; electricals for a wide variety of applications (water supply schemes, cement plants and rolling mills).

The high level of technological capability achieved by BHEL is revealed in the design and manufacture of heavy electrical equipment.

That's because BHEL engineers have received advanced training in the most sophisticated electrical equipment plants, belonging to the most technologically successful countries of the world.

Plus, BHEL has benefited from the experience and expertise it has gained by signing up technological collaborations with internationally reputed electrical equipment manufacturers in Czechoslovakia, Italy, Sweden, USA, UK, USSR and West Germany. These collaborations, naturally, ensure the most modern and up-to-date techniques of production and processes being available to BHEL.

Now, as in the coming years, BHEL will increasingly offer its equipment and services to the world.

Bharat Heavy Electricals Limited
18-20 Kasturba Gandhi Marg, New Delhi 110001, (India)



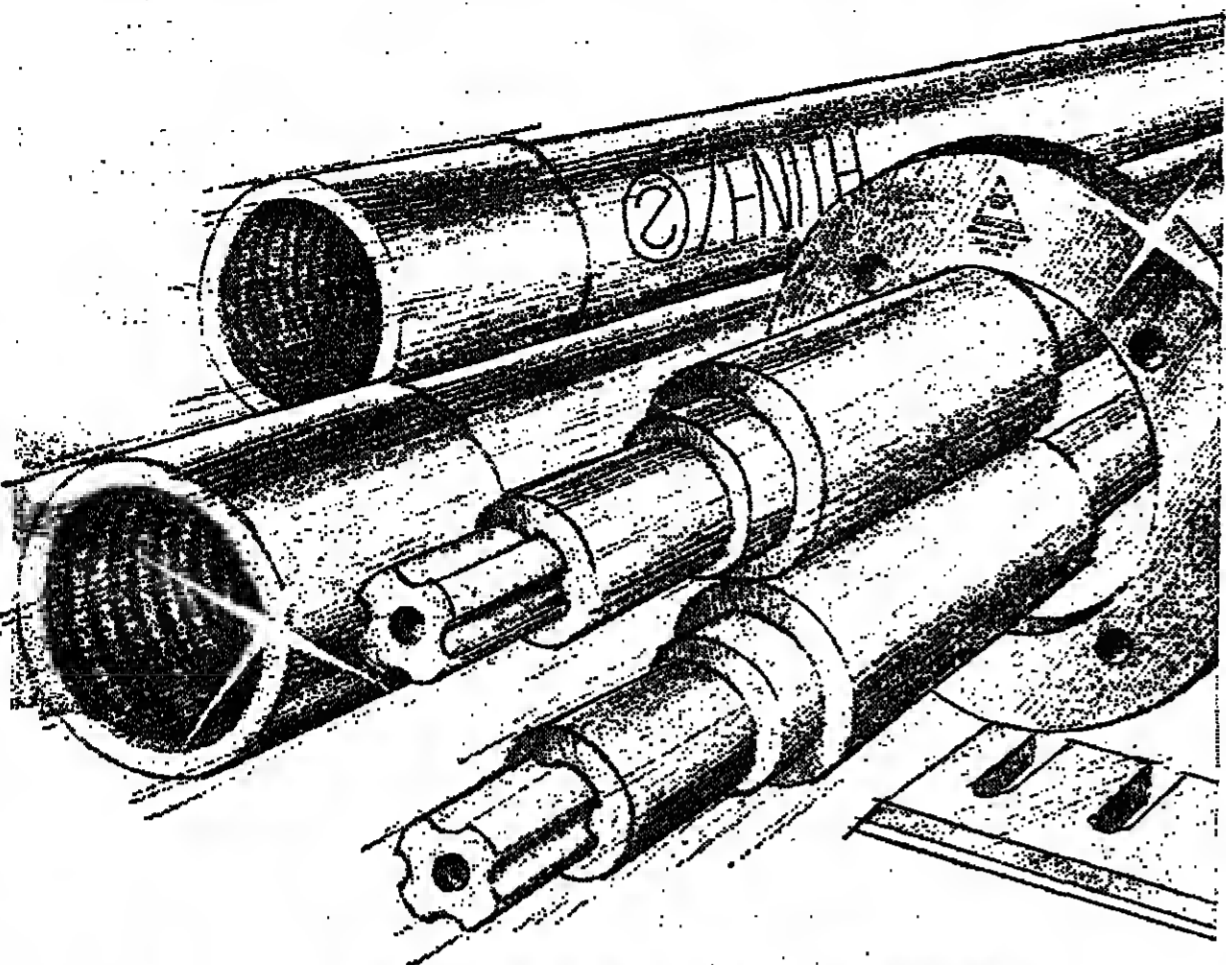
Power to the people

BHEL insulates the USA against future shock.

(In a small way)



Why in the world should you buy ZENITH steel pipes and industrial knives?



For the same reason 45 countries do—supreme quality!

Zenith steel pipes meet the rigorous specifications laid down not only by Indian standards but also by British and International standards. A range of steel pipes for agricultural, industrial and construction needs—with a record of proven performance in 45 countries, besides your very own.

And now Zenith offers the same acclaimed quality in industrial knives—from chipper knives for the pulping industry to shears and choppers for metal industries.

Contact: **ZENITH STEEL PIPES LTD.**, 195 Churchgate Reclamation, Bombay 400 020, India. Telex: 011-2458 Cable: ZENPIPES

Many Facets of EASUN ENGINEERING of India

Easun's electrical equipments, general engineering, structural and other allied services have established reputation for efficient performance & service, expertise and integrity. Easun sets the highest standards for quality and reliability.

During the last five years, Easun has exported equipment and services worth many million pounds. They have supplied Transformers and erected Transmission Lines in Kuwait. Supplies of Transformers have also been made to Malaysia, Sudan, Zambia, United Arab Emirates, Uganda, Guyana, Sri Lanka, Kenya, Nigeria and Tanzania; Surge Vessels to Malaysia; General Engineering and Structural Services to Saudi Arabia; Switchgear to Malaysia, Sri Lanka and U.K.

Easun act as Construction and Contracting Engineers and provide Engineering services like Complete Industrial Electrification, General Engineering and Structural Services.

They also undertake design, supply, erection and commissioning of transmission lines and sub stations upto and including 220 kV. Another service is that of project consultancy.

Easun work in co-ordination with internationally renowned associates all over the world.

Easun is a Government of India recognised Export House.

**EXPORTERS
TURNKEY-CONTRACTS
MANUFACTURERS
SELLING AGENTS**



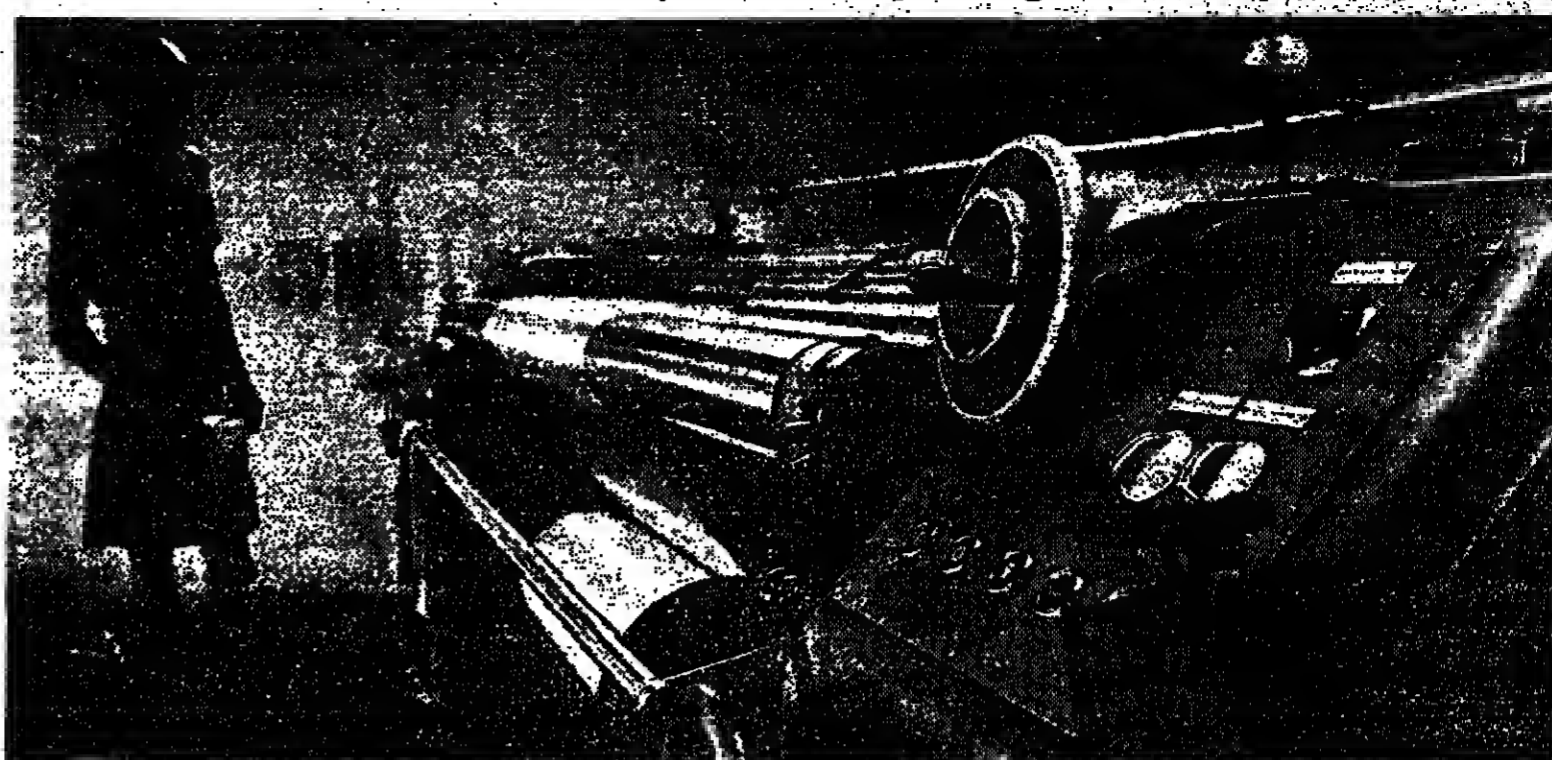
**EASUN ENGINEERING CO. LTD.
HACKBRIDGE-HEWITTIC &
EASUN LTD.
ESWARAN & SONS ENGINEERS
PRIVATE LTD.
EASUN PRODUCTS OF INDIA
PRIVATE LTD.**

Madras-600001.
Regd. Office:
5-7, Second Line Beach,
Madras-600001, INDIA
Grams: EASUN
Telex: 041-7300
Phone: 25792

- HHE Power and Distribution Transformers
- Easun Switchgear
- Control & Relay Boards
- Allis Chalmers Power Equipment
- CCI Tropodur Cables and Wires
- F & G Cables
- MW Machine Tools
- Maschinenfabrik Reinhausen On-load Tap Changing Gears
- Epar Electrical Stampings
- Marine Engineering Equipment and Services
- Complete Industrial Electrification
- General Engineering and Structural Services
- Domestic Rural Industrial and Public Water Supply Systems
- Pumps, Motors and Chlorinating Equipment
- Design, supply, erection and commissioning of transmission lines and sub stations upto and including 220 kV; also project consultancy.
- Construction and Contracting Engineers

Issued by the Engineering Export Promotion Council.

The growth of emerging countries is a spur to find new markets for some of the more traditional exporting industries which may be threatened in some areas by tariff and quota agreements



A Bombay textile mill manufacturing synthetic materials, a product which has great export potential.

Cotton textiles are beating all the targets

by Tim Congdon

Exports of cotton textiles have been one of the most rapidly expanding categories in India's foreign trade in recent years. In 1966 they amounted to Rs 750m, but in 1973 they had grown to Rs 1,950m (£105m), a rise in seven years of 158 per cent. This compares with a growth in exports as a whole over the corresponding period of 94 per cent.

There are no signs that this pace cannot be continued in the medium term, with the early months of 1974 seeing a further spectacular increase. Indeed, the performance of export textile exports is exceeding the expectations of the government planners by a handsome margin. Under the fifth plan exports of cotton textiles were to reach Rs 2,225m by 1978. But in the first three months of 1974 they were Rs 720m, equivalent to an annual rate of Rs 2,900m. In other words, the plan targets had been exceeded in the first three months of its operation.

Although the export of textiles made from artificial fibres is at an early stage, the sector also shows great promise. Exports of rayon and other synthetic material since 1972, there are signs of scarcity. With the completion of several plants during the fourth plan period, India is now also a producer of artificial fibre yarn. In line with the government policy of stimulating the export of finished goods, exports of this yarn have been virtually stagnant and were in fact lower than in 1951. But the rise from Rs 632m in 1965 to just over Rs 1,000m in 1971

decentralized sector, which has smaller output a unit. Both kinds of production units are almost entirely in private hands. The Government has taken the view that, since textiles are one of India's oldest industries, there is no need for special encouragement and support, although the textile industry does, of course, play a central role in the present export drive. In recent years production of cotton cloth from the decentralized sector has been growing somewhat more quickly than production of cloth from the mill sector.

The growth of the industry has been promoted in recent years by a number of factors. The first is the size of the Indian market itself. With more than 500 million people in the domestic market, millowners and cotton piece-good manufacturers have had few uncertainties about demand. Indeed a much higher proportion of the industry's output is devoted to home than to foreign demand and this will probably continue for the foreseeable future.

The second is the availability in India of cotton, although, with the high prices obtainable for raw cotton on world markets since 1972, there are signs of scarcity. With the completion of several plants during the fourth plan period, India is now also a producer of artificial fibre yarn. In line with the government policy of stimulating the export of finished goods, exports of this yarn have been virtually stagnant and were in fact lower than in 1951. But the rise from Rs 632m in 1965 to just over Rs 1,000m in 1971



A Muslim weaver at work in the holy city of Benares. Benares silks are world famous.

was followed by a still more abrupt increase to last year's record, after the sharp rise in prices last year was accompanied by a sharp rise in wages. This may erode some of the competitive edge conferred by devaluation. However, there are a number of clouds on the horizon. The first set of difficulties is the increasing threat to production from the power shortage, labour militancy and unrest, and the world shortage of natural fibres. None of these is yet critical and some may be resolved of their own accord.

More fundamental problems are rising labour costs and discrimination against Indian goods in European

markets. Of course, although Indian labour is cheap by international standards, the sharp rise in prices last year was accompanied by a sharp rise in wages. This may erode some of the competitive edge conferred by devaluation. However, there are a number of clouds on the horizon. The first set of difficulties is the increasing threat to production from the power shortage, labour militancy and unrest, and the world shortage of natural fibres. None of these is yet critical and some may be resolved of their own accord.

More fundamental problems are rising labour costs and discrimination against Indian goods in European

markets. Of course, although Indian labour is cheap by international standards, the sharp rise in prices last year was accompanied by a sharp rise in wages. This may erode some of the competitive edge conferred by devaluation. However, there are a number of clouds on the horizon. The first set of difficulties is the increasing threat to production from the power shortage, labour militancy and unrest, and the world shortage of natural fibres. None of these is yet critical and some may be resolved of their own accord.

More fundamental problems are rising labour costs and discrimination against Indian goods in European

Oil crisis gives jute economy a new impetus

by Amalendu Das Gupta

Jute manufacturers have long remained India's largest source of foreign exchange. Their export market began shrinking with a gradual contraction of jute products for packaging, and the trade was particularly noticeable in the late 1960s. But they have gained a new lease of life with the oil crisis, which has pushed up the prices of synthetic substitutes. The competitive advantage may not be permanent, but the outlook is promising for the time being.

With nearly 43,000 looms in 74 operating units, India produces 30 per cent of the world's jute goods and has a 45 per cent share of total exports. The industry employs about 250,000 workers, about 9 per cent of India's organized industrial labour. Over 25 million people in rural India are involved directly in jute cultivation, and another two million are associated indirectly through marketing and ancillary activities. As many

as 62 of the 74 operating units are in West Bengal, which also produces more than half of the country's jute crop.

The search for jute substitutes had been going on for a long time, but its effect on the Indian jute industry was felt seriously only in the late 1960s. The changeover from jute was induced both by technical and economic considerations and by an inherent instability of the jute economy.

In the developed countries there was inevitably preference for a capital-intensive bulk system of handling, dispensing with the use of any kind of bag. For certain commodities, the paper bag was more attractive. But by far the most powerful competition came from synthetics, after the rapid development of the petrochemical industry. The instability of the jute economy—largely the result of distortions in prices and supplies caused by periodic shortages of raw jute—has always worked against the

maximum possible expansion of jute usage.

In 1964-65 India exported 922,000 tonnes of jute goods, but exports then declined sharply. There was a revival in 1971-72, largely because of the disruption of supplies from Bangladesh, low stocks abroad, and high export prices. From Rs 1,900m (about £100m) in 1970-71, India's export earnings from jute manufactures went up to Rs 2,650m in 1971-72. There was a slight fall in 1972-73, mainly because of a resumption of exports from Bangladesh and increasing price competition from synthetics.

This unfavourable trend continued during the first half of 1973-74, when the industry faced additional difficulties from a small 1972 crop and a severe shortage of power. The outlook brightened again towards the end of October, 1973. There had been a large crop in both India and Bangladesh, but production in Bangladesh mills had been falling. Indian exports had

received a boost from sizable fiscal relief, and world oil prices had started soaring. There was also a temporary improvement in power supplies.

As a result, during the last three months of 1973 India was able to export an average of 58,000 tonnes of jute goods a month against an average of 45,000 tonnes for the previous nine months. But there has been another setback since the beginning of this year. A 33-day strike in January and February caused a production loss of about 100,000 tonnes; and in March alone about 20,000 tonnes were less as a result of power cuts. The power situation was worse in April, and has improved only marginally since.

The opportunity that the oil crisis has presented to the jute industry can be used only with an assured supply of power. But how large is this opportunity? The industry itself is among the least affected by the oil crisis, and obviously stands

to gain from the high prices of oil-based products. Yet petrochemical products are still cheaper than jute goods in Britain and America and higher crude prices, the scope for cost reduction is successive stages.

The jute industry, therefore anxious to that its products do not suffer from higher material prices and duties. It is sad that export duty on sac should have been reimposed and that on hessian has been increased considerably.

It is also felt that both India and Bangladesh are committed to price support for the primary producer, the two countries should at least stabilize jute production by reaching an optimum area. There is scope for co-operation in several areas of research and development, apart from devising joint export strategy, especially in regard to price

Engineering: need to remove bottlenecks

by Sivasdas Banerjee

The foundation of India's engineering industry was laid during the Second World War. From a small base of about Rs 420m in 1947-48, the export of engineering goods has gone up to Rs 1,500m in 1973-74. This is now planned to reach Rs 4,350m by 1978-79.

In 1972-73 the major share of exports went to Asian countries. The main items consisted of steel pipes, cutting tools, wire products, transport equipment (including railway wagons), electrical apparatus and appliances, non-electrical machinery such as diesel engines and pumps, and agricultural machinery.

This suggests that in the developing countries of Asia and Africa, Indian engineering goods, especially those in the category of interme-

diated technology, may continue to have an edge over their competitors for some time. Every endeavour needs to be made to take advantage of this situation, not only to boost India's export earnings but also in the interest of the domestic labour-intensive economy.

However, much greater thrust, specialisation and international collaboration will be needed to make a real impact on the international market. Certain changes in orientation may also be needed. For example, instead of concentrating only on engineering goods, greater thought may have to be given to the question of making up jobs abroad on a turnkey basis or joint ventures, approximately 140 of which have already been approved by the Government Consultancy, in which India has been able to make

a mark in some areas, may not bring sizable returns in terms of foreign exchange, but would have a significant impact in securing major contracts.

The targets fixed are not considered unattainable by the industry, provided that vigorous efforts are made to remove the bottlenecks, which there are many at various levels. The time cycle for steel procurement, for example, remains long and uncertain and constitutes the most important delaying factor, often resulting in penalties for non-fulfilment of work in time. Only a third of the steel requirement is now met from indigenous sources.

Second, power shortages have hit production hard in states like West Bengal, Punjab, Haryana and Uttar Pradesh, and it is necessary

to ensure that power supply priorities granted to the export sector are properly observed.

There are other infra-structural problems as well. A centralised data bank on which exporters could draw freely would help them to execute deals at various stages of maturity. There is also a need for streamlining procedures for processing all cases for export by creating a central authority, representing all the agencies concerned, such as the Reserve Bank of India and the Industrial Development Bank. It would help in dealing with relevant financial and other issues.

Most of these facilities now exist in one form or another. But without centralization and co-ordination of the different dispensing agencies, exporters sometimes have to go to exasperating lengths to get every-

thing cleared. Instances where the resulting delay have cost the country important export contracts are not rare.

Fulfillment of the export target would also require steady rate of growth in industrial capacity and production to meet the shortages in the domestic market, to create surpluses for export, and to give competitive strength to the export units. Otherwise, the industry might find itself lacking in adequate capacity and competitive cost advantages in a widening international market.

A heavy internal demand, somewhat restrictive policies of growth and services, and falls in production could result in an internal market with little incentive for export (see engineering technology article, page XIII).

سید امین ایمل

Making the most of leather

In the past three years leather has been India's rapidly expanding export. In 1970 exports of leather amounted to Rs700m (approximately £37.5m); in 1971 they amounted to no less than Rs1,600m. In other words, they had more than doubled in a period shorter than a five-year plan.

But even 1970's total was considerably up on a typical year in the early 1960s. In 1962 it was Rs532m and in 1963 it was Rs527m. From being one of India's second 11 exports a decade ago, leather is now near the top of the list.

The leather export is centred in Madras, where many tanneries are situated. Leather is also exported from Calcutta and Bombay, but in much smaller quantities.

It is less remarkable than speed with which leather exports have risen in the past few years. The goods exported are skins and hides and are most important. These are sent abroad for further processing into finished products.

Initial stages of processing

Completely unprocessed skins and skins are now exported on a much smaller scale than formerly. In 1966 the exports amounted to 60m. In 1967 they fell to 4m and now they stand at Rs6m.

The decrease in unprocessed leather exports reflects the shift by many businesses to carry out the initial stages of processing in India rather than export a completely unprocessed commodity.

One advantage of doing so was that the weight of leather exported was reduced, bringing down the cost of transport. However, low labour costs in India combined with the skill of Indian workmen, also in tanneries in the suburbs rather than in the cities.

The same motives have been responsible for the expansion of leather processing industries. The footwear has become increasingly important as an export item, with companies such as Bata actively involved.

Nevertheless, the Government feels that this development has not gone far enough. Its main aim is

the field of leather exports, as in other areas of export performance, has been to increase unit value realization. This should bring about the maximum return of foreign exchange so vital to India's industrialization.

To this end it has placed a quota on the export of semi-tanned leather, wet-blue chrome hides and skins and crust leather. This will operate by means of quotas on individual firms that have so far been active in this area, accompanied by a reluctance to grant licences to companies intending to start up in leather exporting.

Furthermore, the export of these items will be canalized through the State Trading Corporation. This will prevent profiteering and enable the Government to give a guarantee of quality to overseas customers. This is particularly important because it affects the image of India's business— and therefore the long-term prospects for Indian exports—in the eyes of the world.

This concern for quality is also reflected in officially-encouraged schemes for quality control. For example, the export of goat hair and myrabalan, an important tanning material, is under the compulsory Agmark grading scheme. Other considerations impinge, notably India's wish to conserve its wildlife. Policies make skins cannot be sent abroad, while the export of lizard skins is under a quota.

The predominant buyer

Much the largest market for Indian leather is Europe. The EEC countries accounted for more than half of leather exports and the EFTA countries accounted for a further quarter in 1972-73. With Britain's accession to the EEC, the Community is now the predominant buyer. Japan and the United States make much smaller purchases.

The success of the Indian Government's efforts to switch exporters from unprocessed leather to processed leather goods is at present uncertain. However, if it achieves the same measure of success as the private export trade achieved in the late 1960s and early 1970s, we can expect to see many more leather purses and exports from India in the shops shortly.

Smugglers share the takings in film distribution abroad

Although films are not among India's main exports, as they are made primarily for the vast domestic market, earnings from exports are now about Rs50m a year. About an equal amount is said to be lost as a result of smuggling.

Yet it needs to be noted that the value of film exports has increased by 40 per cent in the past six years, and there is scope for a considerable further increase within a short period.

Sections of the film industry and the Government attach much importance to the export effort. The foreign exchange is useful in paying for imports of raw film and equipment and for trips abroad by people in the film business, whether for ostensibly professional purposes, such as special location shooting, or for pleasure. Official restrictions on the release of foreign exchange possibly encourage smuggling and clandestine sales.

Enhances cultural prestige

The Government knows that more is earned from the sale of Indian films abroad than the country receives in foreign exchange. Hence an increasing official effort to regulate foreign sales and increase exports through regular channels. Apparently it is also felt that the exporting of films of high quality enhances India's cultural prestige. Even popular Indian films shown abroad may have some publicity value, not entirely without a hearing on economic and other relations.

India has been exporting films for nearly 30 years, mostly for Indians abroad. In recent years, however, some truly foreign demand has also arisen. Commercially, the most important comes from the apparent popularity of some products of Bombay and Madras in parts of the Middle East, Africa and South-east Asia; these are Hindi films, but are sometimes dubbed abroad in other languages. Artistically the most significant development is the growing, but still limited, appreciation in the West of films such as those made in Calcutta by Satyajit Ray.

Between the audio-visual extravagance of the Hindi productions with their fairly big budgets and the quiet compulsion of a Ray work there are several categories of Indian films, but none with much export value.

Some experimental or "new wave" films may interest cinema circuits in Europe and America but can never be a major export enterprise. Even films like those of Mr Ray have not yet made any impact on the commercial circuits.

Films which are neither outstanding as art nor as pure sensationalism may in some cases be fairly sensible in ideas and moderately competent in treatment, but would still fail to satisfy a discerning foreign audience. If they are exported at all, it can be only for their sentimental value for Indians abroad with the same linguistic background.

The main export opportunities lie still in silly Hindi films, with a fare of tawdry opulence, several songs and dance interludes, some obvious sex, much evil and violence and, above all, a heavy dose of didactic sap. The nature or quality of these films cannot be changed; those who talk of improving them, except in the most elementary technical sense, have no idea of what sells—at least in some places.

Other principal markets

Britain, and especially London, is still the most important export market, because of the large Indian as well as Pakistani and Bangladeshi population there. The other principal markets are the Middle East, Africa, South-east Asia and Russia. There are certain market preferences; not surprisingly, films with much fighting do well in the Middle East. In Britain the preferences are largely similar to those in India, because the audiences are basically of the same composition.

Films are said to be smuggled mainly to London, Beirut, the Gulf states and Afghanistan. From London some films get through to South Africa. Efforts to check smuggling have yielded few results so far; at one stage even Interpol's help was sought. It is asserted that some producers and exporters have a highly organized system for clandestine operations.

The Indian Motion Picture Export Corporation, set up more than 10 years ago, has been able to handle no more than 10 per cent of the total export trade. Both exports and imports are now to be handled by a new National Film Corporation.

A restrictive import policy has had some effect on exports. Until a few



The upper classes in India tend to watch British and American films; the lower classes usually watch Indian films.

years ago American films dominated imports, but the drive has been launched to find new markets. The arrangement was terminated after India's insistence on principle of reciprocity is being invoked also in regard to the importing of Indian films by countries such as Ceylon, Indonesia and Burma, which have by custom been good markets for Indian productions.

Together with efforts to revive film exports to these countries a promotional business in Europe and America for \$15,000 each. However, this is not an impressive figure in the commercial film business, but it is useful for a production costing only about \$60,000. Any loss in the domestic market can now be wiped off by foreign sales.

There is also a vigorous demand from university film societies in America. The films now fetch higher prices, even though they are not shown in the commercial cinema. Two of his small-budget films of unimpaired quality should have been sold in no difficulty in finding a

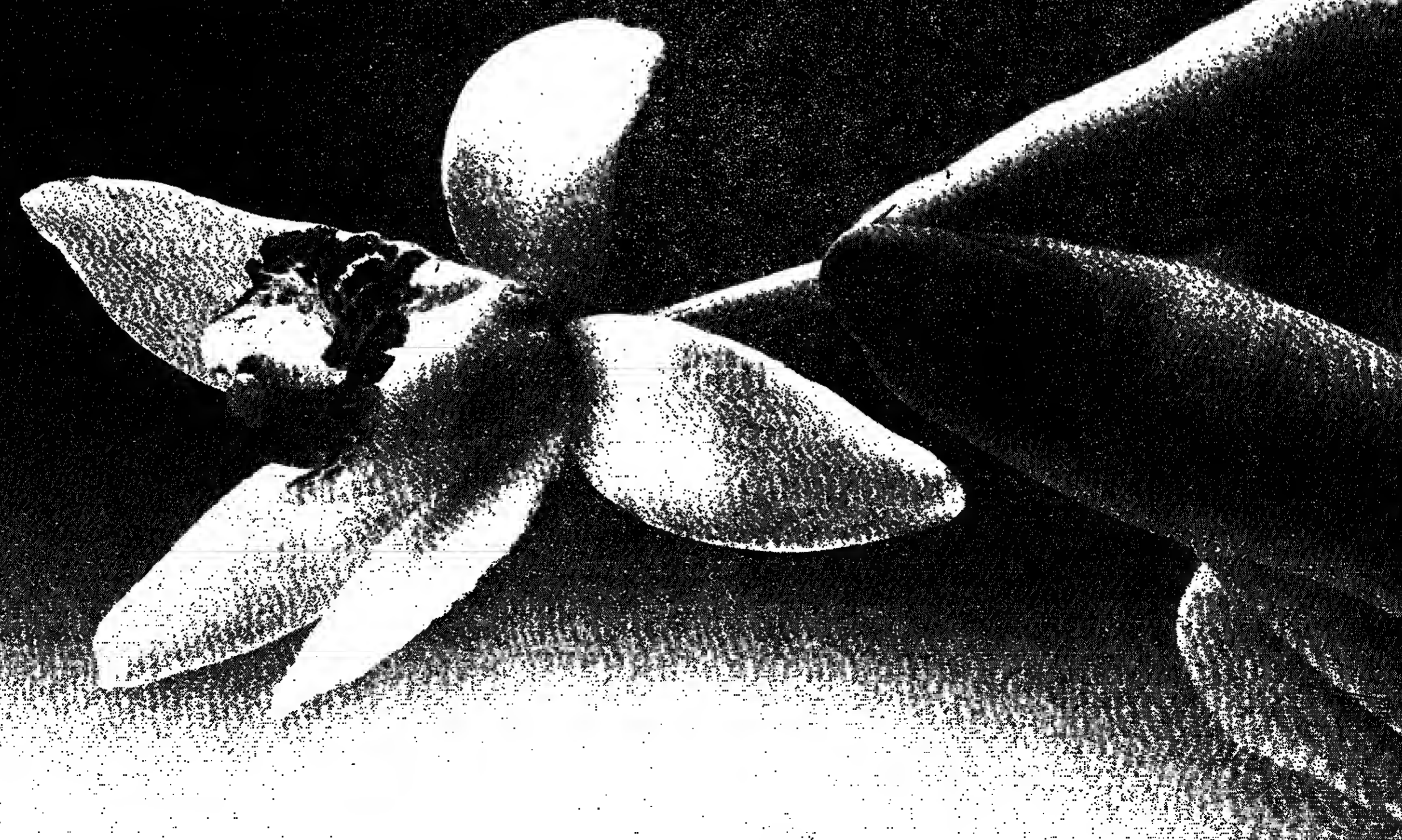
Mr Ray has little interest in the economics of big-budget films, but thinks that or can be done effectively in various foreign languages.

As for internal facilities, his main complaint is about the lack of a good English sub-titling machine. He does not think dubbing needs to be done in India or can be done effectively in various foreign languages.

Mr Ray told that his small-budget films of unimpaired quality should have been sold in no difficulty in finding a

A.D.G.

Today, it's a tender, aromatic symbol of love.
Tomorrow, it's a wilting pathetic memory.



Worth bearing in mind when your products have such short lives. **AIR-INDIA**
To the USA, Europe, Asia and Australia

Ashok Leyland — pioneering manufacturers of heavy-duty vehicles in India, in collaboration with British Leyland Motor Corporation — have given a fillip to Indian exports, East and West.

Starting in 1964 with exports to Sri Lanka, Ashok Leyland's export markets today include Afghanistan, Singapore, Hong Kong, East Africa, and Ashok Leyland is now probing the markets of Nigeria, West Indies, etc.

Ashok Leyland's export drive is gaining a new momentum — to help India earn more foreign exchange and face the oil crisis. For example, India's prestigious export of a double-decker bus, to Hong Kong, was made recently by Ashok Leyland, with good prospects of bulk orders.

Ashok Leyland strives to deliver the same quality of vehicles which has won renown for its collaborators, British Leyland, in over 80 countries!

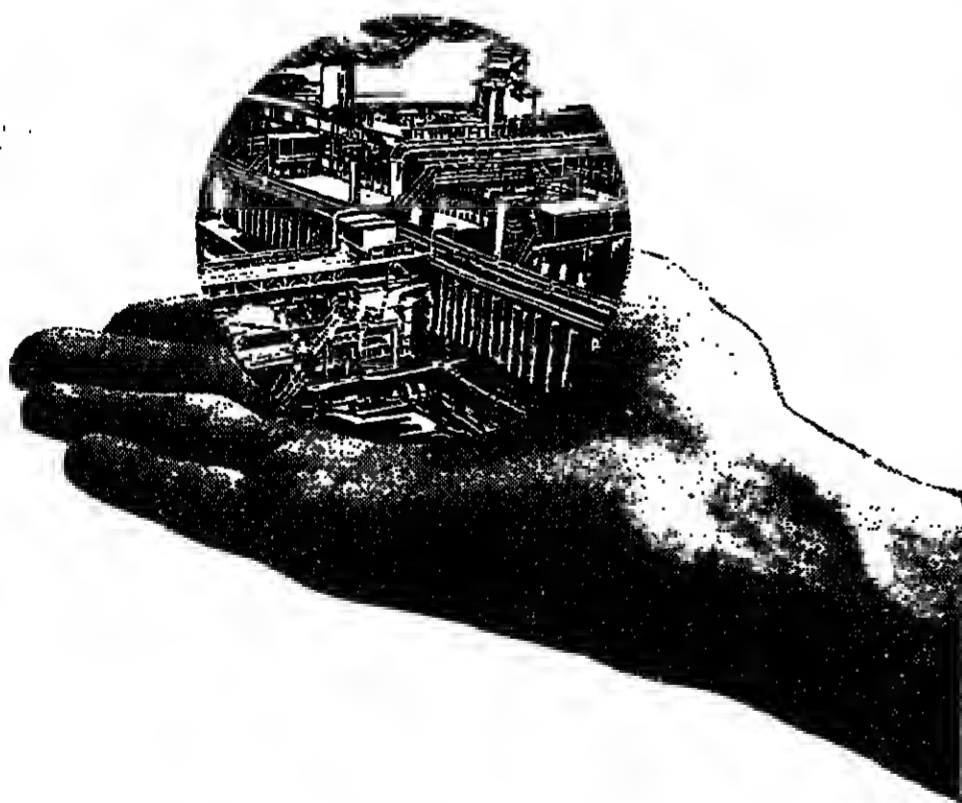
Ashok Leyland — the growing globe-trotter



Ashok Leyland Ltd.
Madras 600 057, India

FDS AL 2067

DIFFERENT AGENCIES AND EXPERTS FOR DIFFERENT STAGES OF A PROJECT? BUT WHO CAN GIVE YOU TOTAL EXPERTISE FOR A COMPLETE INDUSTRIAL PROJECT?



EPI, a Government of India Enterprise, has already undertaken turnkey projects in India and overseas worth over \$ 100 millions.

Turnkey projects, total responsibility, overall expertise, concept to completion of Steel Rolling Mills, Coke Oven Plants, Cement Plants, Sugar Plants, Paper Plants, Fertilizer Plants, Bulk Material Handling Plants, International Airports; and erection of oil and gas pipelines and any other type of large industrial projects—EPI is fully equipped to undertake on turnkey basis all such projects both in India and abroad.



Engineering Projects (India) Ltd.
(A Government of India Enterprise)
Himalaya House, Kasturba Gandhi Marg, New Delhi-110 001, India.

Telex No. EPI-ND-2841
Cable: PLANTIND
Telephone: 42325 (4 lines)

A two-page look at the vital ports where modernization and expansion schemes are under way to handle the country's industrial needs

Bombay, Marmugoa: key role in trade plan

by Aruna Mukerji
Financial Express

Although Bombay is India's main port from the point of view of the volume of cargo handled, it does not play a significant role in the nation's exports.

This heavily import-oriented port is truly the Gateway to India for the foodgrains, fertilizers and iron and steel which come from abroad. Of the 15,540,000 tonnes of traffic handled there in 1972-73, about 12,320,000 tonnes were imports and only 3,220,000 tonnes exports.

Actually, what is relevant is the dry cargo handled at the docks. Imports of dry cargo were 3,960,000 tonnes and exports 1,700,000 tonnes. The rest of the cargo of 5,870,000 tonnes in 1972-73 was handled from hundreds (open quays) and from Butcher Island, off Bombay, where the Bombay Port Trust has a marine oil terminal.

There is every possibility that Bombay might play a far more significant role in exports in future. In view of the oil crisis, attempts are being made to step up trade between India and the Gulf States. An official survey shows this trade is likely to increase fourfold in the next three or four years. Bombay will be the natural outlet for the bulk of the exports to the Gulf States and the Arab world.

India's new export strategy in West Asian countries was indicated by Mr D. P. Chatterjee, the Union Minister of Commerce, in January. The Union Government is considering proposals for setting up cement and steel plants in Saudi Arabia, joint ventures with Kuwait for tyre manufacturing and vegetable oil plants and a fertilizer rolling mill with Abu Dhabi.

The Minister declared: "When these export possibilities of participating in turnkey projects identified by us are collected, we will have a new export strategy to the oil producing countries". This augurs well for Bombay Port.

More scope for new products

Though India's traditional exports of tea, jute and oilseeds will remain, there is growing scope for manufactures of engineering goods, electronic equipment, ready-made garments and so on, much of which will be exported through the port of Bombay.

There are several reasons why exporters to Bombay often find it difficult to obtain cargo space. Although it possesses a large natural deep-water harbour, only Indira Docks can accommodate large vessels. The other two, Prince's and Victoria Docks, can handle vessels of only 5,000 tons.

Indira Docks (formerly Alexandra Docks) has 21 berths, seven of which are used for handling imported foodgrains, fertilizers and fertilizer raw materials. Iron and steel, another important item of import, take up four or five berths. In 1972-73 the import of iron and steel totalled 713,000 tonnes. The remaining berths have to deal with imports like textiles, cement, chemicals, as well as exports.

The situation in Bombay differs from that in Calcutta, India's main port of export, where ships frequently come in empty and are then laden with jute, tea or coal for export. In Bombay, ships generally bring in cargo and, after unloading, are filled with export cargo.

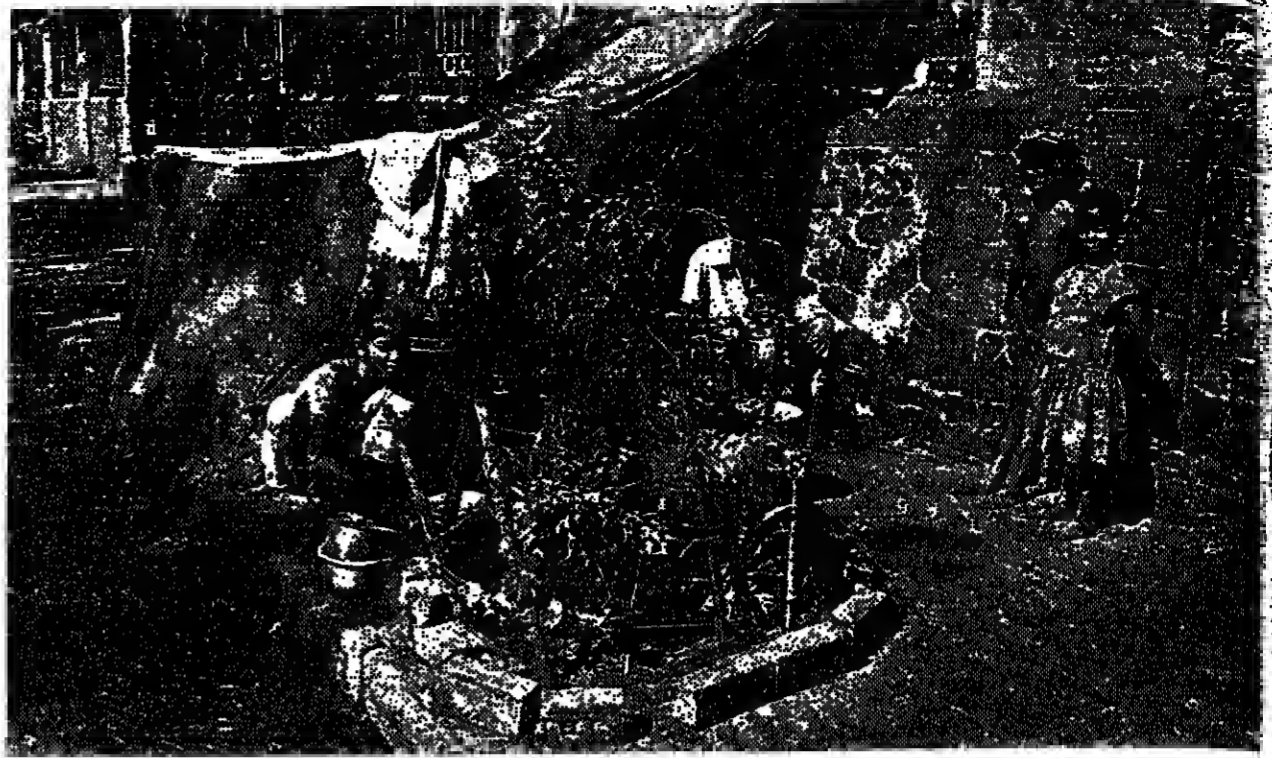
One berth in Indira Docks is now unofficially reserved for export cargo. The Port Trust proposes to set aside another berth in the other two docks for exports to the Gulf area, since this trade does not require large ships.

One of the main complaints of Indian exporters is the small number of transit sheds in which they can store cargo for export. At present these sheds are taken up with imported goods. Exporters are justified in complaining that goods have to be exported piecemeal because of insufficient storage space resulting in higher costs.

Ships often sail from Bombay without export cargo because it could not be stored in the transit sheds. But the port authorities are doing their best to offer better exporting facilities.

Ores, sugar, cotton and oilseeds are the four main exports from Bombay. At the Mazagon-Sewree reclamation estate, near India's leading shipbuilders, 70,000 sq yd at one site served by rail have been allotted for manganese ore storage. Three warehouses of 4,300 sq metres outside Prince's Docks have been leased to the Indian Sugar Export Corporation. One 2,020 sq metre warehouse stores oilcakes, oil seeds and oilmeal.

About 120 acres have been set aside at Sewree Cotton Depot for cotton storage. The Port Trust has also provided storage for a million hales of cotton and 80 acres have been set aside for more than a million sq ft of covered grain and seed storage, these sheds being served by rail.



Modernization projects for Bombay port are a world away from some of the people of Bombay, many of whom live on the pavements. Here one family have built their own garden.

The port plans to build two warehouses entirely for the use of exporters. They will be ready during the fifth plan and will be financed by the Port Trust from its own resources.

The authorities give concessional rates for the handling of exports. These are lower than for imports. For instance, the wharfrage handling rate is Rs2 per tonne for some commodities while the labour cost for the Bombay Port Trust is five to six times the amount charged.

Export cargo using the Port Trust railway obtains concessional rates. Bombay port railway is connected to the broad-gauge main lines at Wadala on the outskirts of the city. It runs for about 11 kilometres between Ballard Pier and Wadala and serves the docks as well as vital installations and factories in the port estates. It has its own fleet of diesel and steam locomotives, railway cranes and wagon weighbridge of 100 tonnes capacity.

Since the available draught at the port is too low for big ships, this adds to the cost of handling cargo and prolongs the turnaround time. Because of delays in the unloading of ships, the Port Trust has to

pay heavy amounts annually in foreign exchange towards demurrage. From January 1, 1973 to June 30, 1973 the Port Trust paid about Rs60m in demurrage.

The development of the satellite port of Nhava Sheva across the harbour will relieve the strain on the port by lessening pressure on the Indira Docks. The authorities point out that, if the new port can take much of the foodgrains and fertilizers sent to Bombay, it will mean that an extra five or six berths will be available for exports. Nhava Sheva will be able to take in ships up to 30,000 tonnes.

As the hinterland of the new port is virgin land it can be developed to suit the movement of cargo and container traffic. Despite the vital role it can play, the planning commission has been slow to give the go-ahead. But the Maharashtra Government has been urging Delhi to speed up its decision of the Nhava Sheva project and provide funds to implement it.

Marmugoa, on India's west coast, 250 miles south of Bombay, has tremendous export significance and has emerged as the nation's leading ore exporting port. It is the

second largest port in India in traffic tonnage, ranking next to Bombay. This year of Marmugoa's traffic is expected to be about 14 million tonnes. It depends overwhelmingly on iron ore for export. During 1972-73, as much as 11,700,000 tonnes of the 12,840,000 tonnes it handled were iron ore.

Marmugoa is close to the mining area, which is served by the rivers Zuari and Mandovi. A fleet of barges transports the iron ore from the mines to the port. It is this facility of cheap river transport from the mines in Goa near by to the steamers in the harbour which has helped to make Indian ore competitive in world markets. Japan is the principal customer.

In recent years more large size bulk carriers have visited Marmugoa. The turnaround time is about 10 to 12 days for loading a 60,000-ton vessel. In 1963-64 only 12 vessels of 30,000 tons visited the port. The number increased to 115 in 1970-71.

This harbour, taking about 25 ships in fair season, is the gateway to the hinterland of the states of Maharashtra, Mysore and Andhra Pradesh.

Three main aspects of the development of Marmugoa Port, which began in 1970,

are the provision of modern ore handling facilities; work connected with the construction of an oil berth; and work relating to the modernization of existing berths.

The new facilities include a mechanized ore handling plant with a loading capacity of 8,000 tonnes an hour and storage, wagon tipping and large unloading facilities.

Development of Marmugoa is designed to take in large vessels to reduce freight charges. Ocean freight for 50 per cent of the cost of ore exported to Japan. The oil berth will be the first Marmugoa, capable of handling the increased volume of mineral oil expected at the port. Plans for modernization of the berths include provision of modern cargo handling equipment.

The port is in bad shape because of the heavy backlog of dredging. When the first part of the Rs500m development programme is completed by 1975, the dredging of the entrance channel approaches to the berth will enable 60,000 ton bulk carriers to use the port. A grey handicap from which Marmugoa suffers is the absence of dry dock facilities. All cargo have to be sent to Bombay for dry dock repairs.

INDIAN COTTONS, TRENDSETTERS IN FASHION

The whole world of fashion is within your easy reach with India's cottons. Fabrics for all moods and occasions in glowing colours and fascinating patterns are now available at most attractive prices. They are quality tested and found acceptable in the most sophisticated markets.



Trade Enquiries to:
THE COTTON TEXTILES EXPORT PROMOTION COUNCIL OF INDIA
Engineering Centre, 5th Floor, 8, Mathew Road, Bombay 400 004 (INDIA)

سكنة للاعمال

Ashok Leyland — pioneering manufacturers of heavy-duty vehicles in India, in collaboration with British Leyland Motor Corporation—have given a fillip to Indian exports, East and West.

Starting in 1964 with exports to Sri Lanka, Ashok Leyland's export markets today include Afghanistan, Singapore, Hong Kong, East Africa... and Ashok Leyland is now probing the markets of Nigeria, West Indies, etc.

Ashok Leyland's export drive is gaining a new momentum—to help India earn more foreign exchange and face the oil crisis. For example, India's prestigious export of a double-decker bus, to Hong Kong, was made recently by Ashok Leyland, with good prospects of bulk orders.

Ashok Leyland strives to deliver the same quality of vehicles which has won renown for its collaborators, British Leyland, in over 80 countries!

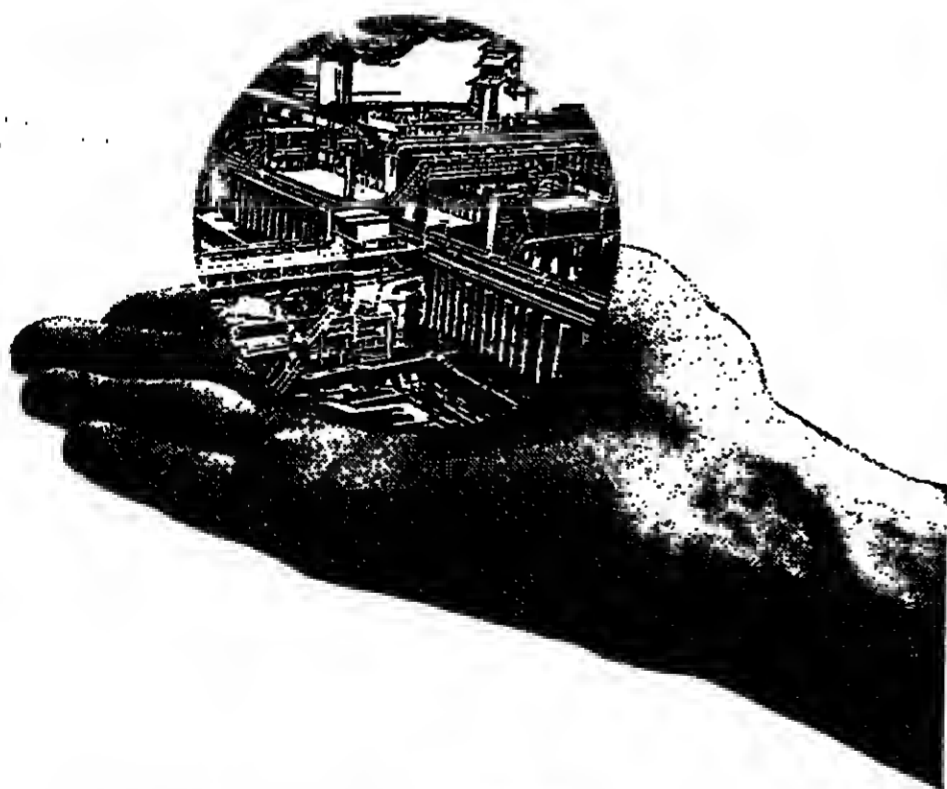
Ashok Leyland—the growing globe-trotter



Ashok Leyland Ltd.
Madras 600 057, India

FDS AL 267

DIFFERENT AGENCIES AND EXPERTS FOR DIFFERENT STAGES OF A PROJECT? BUT WHO CAN GIVE YOU TOTAL EXPERTISE FOR A COMPLETE INDUSTRIAL PROJECT?



EPI, a Government of India Enterprise, has already undertaken turnkey projects in India and overseas worth over \$ 100 millions.

Turnkey projects, total responsibility, overall expertise, concept to completion of Steel Rolling Mills, Coke Oven Plants, Cement Plants, Sugar Plants, Paper Plants, Fertilizer Plants, Bulk Material Handling Plants, International Airports; and erection of oil and gas pipelines and any other type of large industrial projects—EPI is fully equipped to undertake on turnkey basis all such projects both in India and abroad.



Engineering Projects (India) Ltd.
(A Government of India Enterprise)
Himalaya House, Kasturba Gandhi Marg, New Delhi-110 001, India.

Telex No. EPI-ND-2841
Cable: PLANTIND
Telephone: 42325 (4 lines)

A two-page look at the vital ports where modernization and expansion schemes are under way to handle the country's industrial needs

Bombay, Marmugoa: key role in trade plan

by Aruna Mukerji
Financial Express

Although Bombay is India's main port from the point of view of the volume of cargo handled, it does not play a significant role in the nation's exports.

This heavily import-oriented port is truly the Gateway to India for the foodgrains, fertilizers and iron and steel which come from abroad. Of the 15,540,000 tonnes of traffic handled there in 1972-73, about 12,320,000 tonnes were imports and only 3,220,000 tonnes exports.

Actually, what is relevant is the dry cargo handled at the docks. Imports of dry cargo were 3,960,000 tonnes and exports 1,700,000 tonnes. The rest of the cargo of 9,870,000 tonnes in 1972-73 was handled from bundlers open quays and from Butcher Island, off Bombay where the Bombay Port Trust has a marine oil terminal.

There is every possibility that Bombay might play a far more significant role in exports in the future. In view of the oil crisis, attempts are being made to step up trade between India and the Gulf States. An official survey shows this trade is likely to increase fourfold in the next three or four years. Bombay will be the natural outlet for the bulk of the exports to the Gulf States and the Arab world.

India's new export strategy in West Asian countries was indicated by Mr D. P. Chatterjee, the Union Minister of Commerce, in January. The Union Government is considering proposals for setting up cement and steel plants in Saudi Arabia, joint ventures with Kuwait for tyre manufacturing and vegetable oil plants and for a steel rolling mill with Abu Dhabi.

The Minister declared: "When these export possibilities are being explored, key projects identified by us are collected, we will have a new export strategy to the oil producing countries". This augurs well for Bombay Port.

More scope for new products

Though India's traditional exports of tea, jute and oilseeds will remain, there is growing scope for manufacturers of engineering goods, electronic equipment, ready-made garments and so on, much of which will be exported through the port of Bombay.

There are several reasons why exporters in Bombay often find it difficult to obtain cargo space. Although it possesses a large natural deep-water harbour, only Indira Docks can accommodate large vessels. The other two, Prince's and Victoria Docks, can handle vessels of only 5,000 tons.

Indira Docks (formerly Alexandra Docks) has 21 berths, seven of which are used for handling imported foodgrains, fertilizers and fertilizer raw materials. Iron and steel, another important item of import, take up four or five berths. In 1972-73 the import of iron and steel totalled 713,000 tonnes. The remaining berths have to deal with imports like textiles, cement, chemicals, as well as exports.

The situation in Bombay differs from that in Calcutta, India's main port of export, where ships frequently come in empty and are then laden with jute, tea or coal for export. In Bombay, ships generally bring in cargo and, after unloading, are filled with export cargo.

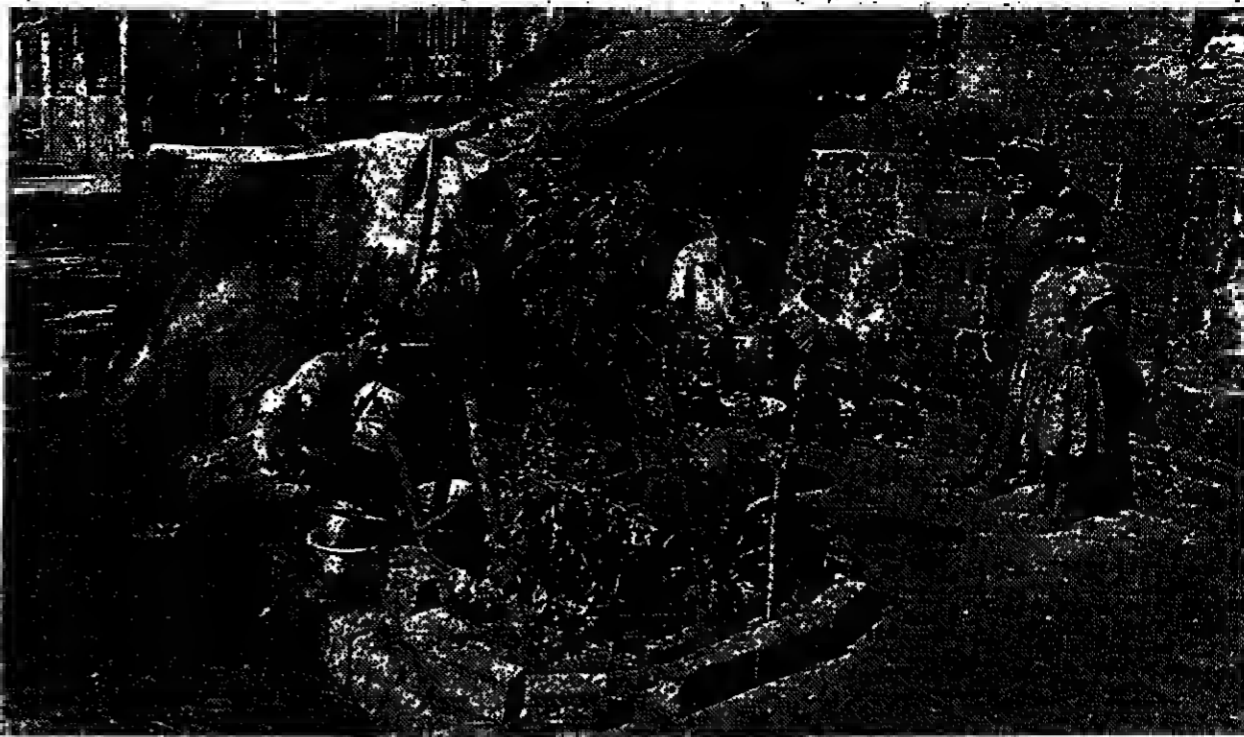
One berth in Indira Docks is now unofficially reserved for export cargo. The Port Trust proposes to set aside another berth in the other two docks for exports to the Gulf area, since this trade does not require large ships.

One of the main complaints of Indian exporters is the small number of transit sheds in which they can store cargo for export. At present these sheds are taken up with imported goods. Exporters are justified in complaining that goods have to be exported piecemeal because of insufficient storage space resulting in higher costs.

Ships often sail from Bombay without export cargo because it could not be stored in the transit sheds. But the port authorities are doing their best to offer better exporting facilities.

Ores, sugar, cotton and oilseeds are the four main exports from Bombay. At the Mazagon-Sewree reclamation estate, near India's leading shipbuilders, 70,000 sq yd at one site served by rail have been allotted for manganese ore storage. Three warehouses of 4,300 sq metres outside Prince's Docks have been leased to the Indian Sugar Export Corporation. One 2,020 sq metre warehouse stores oilcakes, oil seeds and oilmeal.

About 120 acres have been set aside at Sewree Cotton Depot for cotton storage. The Port Trust has also provided storage for a million bales of cotton and 80 acres have been set aside for more than a million sq ft of covered grain and seed storage, these sheds being served by rail.



Modernization projects for Bombay port are a world away from some of the people of Bombay, many of whom live on the pavements. Here one family have built their own garden.

The port plans to build two warehouses entirely for the use of exporters. They will be ready during the fifth plan and will be financed by the Port Trust from its own resources.

The authorities give concessional rates for the handling of exports. These are lower than for imports. For instance, the wharage handling rate is Rs2 per tonne for some commodities while the labour cost for the Bombay Port Trust is five to six times the amount charged.

Export cargo using the Port Trust railway obtains concessional rates. Bombay port railway is connected to the broad-gauge main lines at Wadala, on the outskirts of the city. It runs for about 31 kilometres between Balisard Pier and Wadala and serves the docks as well as vital installations and factories in the port estates. It has its own fleet of diesel and steam locomotives, railway cranes and wagon weightbridge of 100 tonnes capacity.

Since the available draught at the port is too low for big ships, this adds to the cost of handling cargo and prolongs the turnaround time. Because of delays in the unloading of ships, the Port Trust has to

pay heavy amounts annually in foreign exchange towards demurrage. From January 1, 1973 to June 30, 1973 the Port Trust paid about Rs60m in demurrage.

The development of the satellite port of Nhava Sheva across the harbour will relieve the strain on the port by lessening pressure on the Indira Docks. The authorities point out that, if the new port can take much of the foodgrains and fertilizers sent to Bombay, it will mean that an extra five or six berths will be available for exports. Nhava Sheva will be able to take in ships up to 80,000 tonnes.

As the hinterland of the new port is virgin land it can be developed to suit the movement of cargo and container traffic. Despite the vital role it can play, the planning commission has been slow to give the go-ahead. But the Maharashtra Government has been urging Delhi to speed up its decision of the Nhava Sheva project and provide funds to implement it.

Marmugoa, on India's west coast, 250 miles south of Bombay, has tremendous export significance and has emerged as the nation's leading ore exporting port. It is the

second largest port in India in traffic tonnage, ranking next to Bombay. This year Marmugoa's traffic is expected to be about 14 million tonnes. It depends overwhelmingly on iron ore for export. During 1972-73, as much as 11,700,000 tonnes of the 12,840,000 tonnes handled were iron ore.

Marmugoa is close to the mining area, which is served by the rivers Zuari and Mandovi. A fleet of barges transports the iron ore from the mines to the port. It is this facility of cheap river transport from the mines in Goa near by to the steamers in the harbour which has helped to make Indian ore competitive in world markets. Japan is the principal customer.

In recent years more large-size bulk carriers have visited Marmugoa. The turnaround time is about 10 to 12 days for loading a 60,000-ton vessel. In 1963-64, only 12 vessels of 30,000 tons visited the port. The number increased to 115 in 1970-71.

This harbour, taking about 25 ships in fair-weather, is the gateway to the hinterland of the states of Maharashtra, Mysore and Andhra Pradesh.

Three main aspects of the development of Marmugoa Port, which began in 1970,

are the provision of modern ore handling facilities; work connected with the construction of an oil berth; and work relating to the modernization of existing berths.

The new facilities include a mechanized ore handling plant with a loading capacity of 8,000 tonnes an hour and barge unloading facilities.

Development of Marmugoa is designed to take in larger vessels to reduce freight charges. Ocean freight forms 50 per cent of the cost of ore exported to Japan. The oil berth will be the first at Marmugoa, capable of handling the increased volume of mineral oil expected at this port. Plans for modernization of the berths include provision of modern cargo handling equipment.

The port is in bad shape because of the heavy backing of dredging. When the first part of the Rs500m development programme is completed by 1975, the dredging of the entrance channel approaches to the berth will enable 60,000 ton bulk carriers to use the port. A grave handicap from which Marmugoa suffers is the absence of dry dock facilities. All craft have to be sent to Bombay for dry dock repairs.

INDIAN COTTONS, TRENDSETTERS IN FASHION

The whole world of fashion is within your easy reach with India's cottons. Fabrics for all moods and occasions in glowing colours and fascinating patterns are now available at most attractive prices. They are quality tested and found acceptable in the most sophisticated markets.



Trade Enquiries to:
THE COTTON TEXTILES EXPORT PROMOTION COUNCIL OF INDIA
Engineering Centre, 9th Floor, 2, Mathew Road, Bombay 400 044 (INDIA)

سازمان بازرگانی

Merchant tonnage to be doubled

by K. Balaraman

In terms of shipping tonnage under its flag, India is a mere beginner compared with the leaders of the maritime world. It still largely depends on foreign ships for handling the bulk of its overseas trade.

In 1969-70, foreign ships carried as much as 78.66 per cent of its total overseas trade of 49,510,000 tonnes. Only the balance of 21.34 per cent was carried by Indian ships and not all of them were Indian-built; most being purchased abroad. In 1973-74, the share of Indian ships came down to 16 per cent, because there were not enough of them available to meet the expanded tonnage of India's foreign trade.

The Indian merchant fleet's present total tonnage is only about four million gross registered tonnes (grt) and this, it is proposed, should be increased to 8,640,000 grt during the fifth five-year plan (1974-79), at a cost of about \$125m. The 8,640,000 grt will comprise 1,370,000 tonnes of tankers, 1,050,000 tonnes of cargo ships, 2,600,000 tonnes of bulk carriers and 600,000 tonnes of coastal vessels.

If this target is achieved, it would provide India with enough ships to be able to carry all her overseas trade in crude oil and petroleum products, half her iron ore exports to Japan, all her iron ore exports to Europe and half the liner trade in other commodities.

Most of the proposed increase in shipping tonnage will have to be met by purchase of ships built abroad, the Indian shipbuilding industry's allotted share being only 475,000 tonnes. India has been opting largely for ships from the East European countries like Poland, Romania, Yugoslavia and East Germany. The Indo-Soviet protocol signed last year also provides for purchases of ships against payment of Indian rupees.

Though India's shipping industry is thus a modest one, her three principal shipyards, the Hindustan Shipyard Ltd. (Vishakhapatnam, Andhra Pradesh), the Mazagon Dock in Bombay and the Garden Reach Work-shops in Calcutta can boast some of the most complex shipbuilding and ship-repairing facilities east of Suez.

Originally all three yards were privately owned (the latter two by British companies) and were later taken over by the Indian Government. The Hindustan Shipyard in 1954 (and placed under the Ministry of Shipping) and the other two in 1960 (under the Ministry of Defence).

The Mazagon Dock company is India's leading shipbuilding and repair yard. Primarily a repair yard under its British owners (British India Steam Navigation Company and P & O), its facilities have been vastly expanded since its nationalisation. It now builds both warships for the Indian Navy (Leander class frigates and inshore minesweepers) and merchant vessels, besides attending to the increasing repair needs of the navy and foreign Indian merchantmen.

The company has built two new ship-building berths, so impounded wet dock capable of accommodating four medium-size ships at a time and new production and assembly shops equipped with complex machinery. A Mazagon-designed and constructed passenger-cargo ship which can carry 824 passengers is being fitted out.

Mazagon Dock maintains a round-the-clock, seven-day-a-week repair service and it is a tribute to its performance that it is kept busy in the course of one year (1972-73), the shipyard repaired 621 ships, 250 of them foreign flags. In this respect, Mazagon is a big foreign exchange earner. In 1972-73 it earned over \$1m in foreign exchange. It was planning recently for carrying out extensive repairs to two foreign supertankers, the Alvaro de Bazan (166,000 tons) and the Esso Anglia (190,300 tons), which could not enter Bombay harbour and had to be anchored 25 miles away from the shore. Mazagon has plans to build a dry dock and other facilities at Nava Sbera east of Bombay, where the water is deep enough to take in ships up to 250,000 tons.

The 33-year-old Hindustan Shipyard—the selection of its site and original design were essentially based upon the recommendations of Sir Alexander Gibb and Partners—is now capable of producing general cargo vessels of 15,000 tons and multi-purpose bulk-carriers up to 30,000 tons. The shipyard has four slipways facing mostly ore carriers of the 100,000 to 200,000 tons, is also nearing completion. The shipyard has plans for setting up a ship repair and building complex at the

necessary cranes, which includes a 125-ton hammer head crane.

The shipyard employs about 4,000 workers, 250 supervisors and 220 technical officers. Most of the officers are university graduates in naval architecture, marine and other aspects of engineering. Many of them have been trained in advanced shipbuilding and production technology in Britain, Germany, Japan and Poland and they are periodically sent abroad to keep themselves abreast of the latest trends in shipbuilding and automation techniques.

Hindustan Shipyard has so far built and delivered 63 vessels (amounting to over 500,000 grt), most of them being ocean-going cargo ships. The ships built at this yard have been assigned T-100A1 classification by Lloyd's and are said to be comparable to European-built ships in all respects.

Expansion in two stages

Pioneer Class mini-bulkers of 21,600 tons figure predominantly in the construction programme of the yard. Including the vessels under construction, the shipyard has on order 24 vessels, 19 of them Pioneer Class mini-bulkers. The company has a two-stage expansion programme, drawn in consultation with Seadrec and Livezey Henderson of the United Kingdom, under which shipping tonnage is to be increased to 86,000 tons a year. The expansion is estimated to cost about \$6m.

Together with the ship-repairing facilities installed two years ago, Hindustan Shipyard is a composite yard of importance in Asia. Its dry dock, the biggest in India, is 244 metres long and 38 metres wide with an overall depth of 11.8 metres from the ground level to the floor of the dock. The dock can accommodate ships up to 57,000 tons. Bigger ships up to 70,000 tons may also be docked, subject to the limitations of length, width and draft.

A wet basin of 226 metres length and 73.2 metres width is under construction and is scheduled to be completed next year. This basin is intended to serve the dual purpose of providing berthing facility for fitting-out new ships and for carrying out repairs afloat.

An outer harbour project, designed to handle ships, mostly ore carriers of the 100,000 to 200,000 tons, is also nearing completion. The shipyard has plans for setting up a ship repair and building complex at the

outer harbour, which will be one of the deepest artificial harbours in the world.

The Garden Reach Work-shops, Calcutta, which was established in 1884 as a partnership firm and was taken over by the Government of India in 1960, was also mainly a ship-repairing unit to start with, but has since then built up capacity to build tugs, dredgers, launches, fishing trawlers and liner and bulk carriers of 25,000 tons. Its expansion plan provides for the modernization of its existing dry dock into a building dry dock and the construction of a finger-type fitting-out jetty and the improvement of the facilities in the workshops for building ships.

When this expansion plan is completed during this year, Garden Reach will be able to build two ocean-going ships of 25,000 tons a year. Apart from this, the company has set up a marine diesel engine plant at Ranchi in Bihar in collaboration with MAN of West Germany.

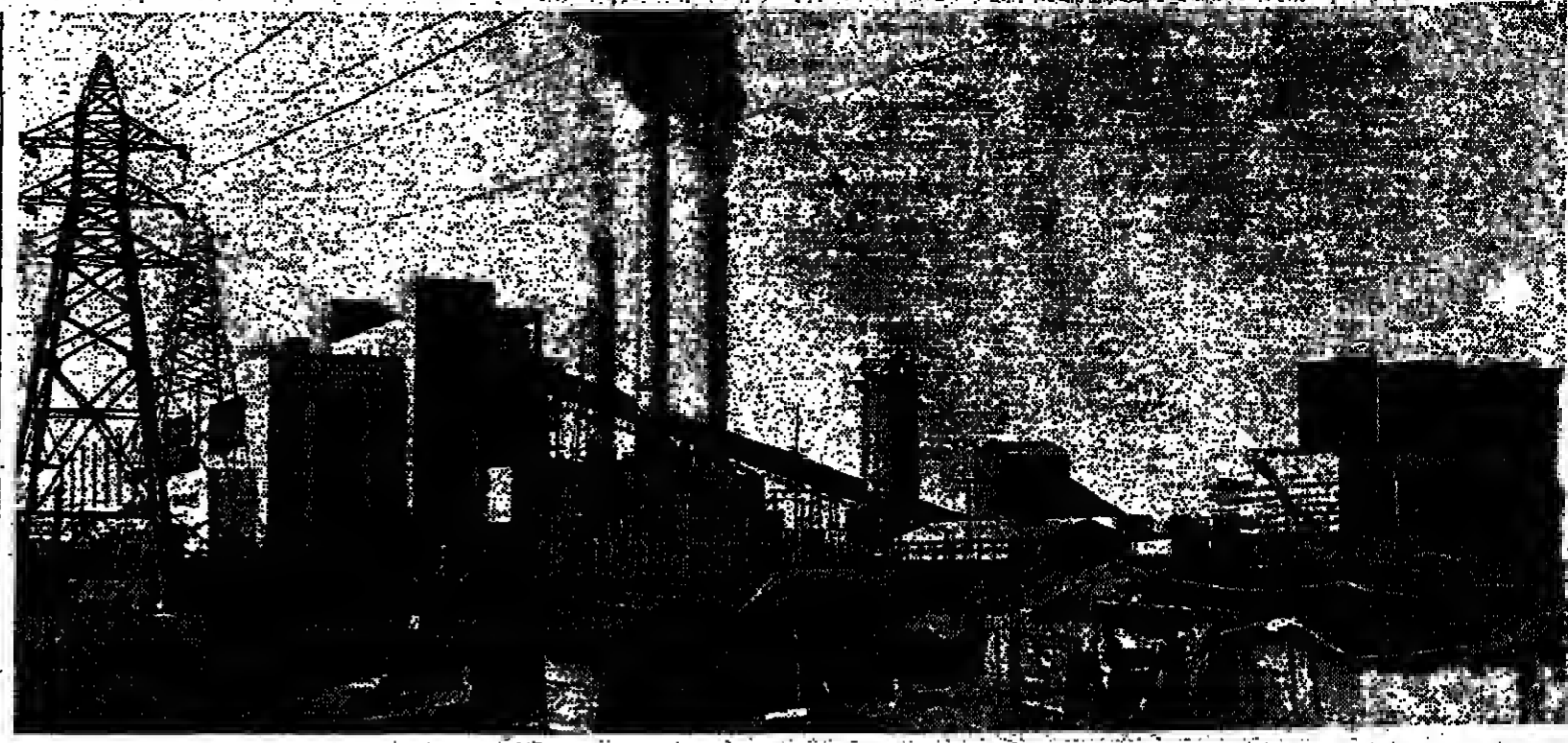
Apart from these three units, a big shipyard is going up in Cochin with technical collaboration with Mitsubishi Heavy Industries of Japan. The shipyard which will cost about \$40m is expected to be completed by September 1975 when the keel of the first ship will be laid.

Besides these four major yards, there are a number of other units in the private sector, such as Andrew Yule and Co. of Calcutta, Alcock, Ashdown & Co of Bombay and Gladstone Lyall and Company, Calcutta, which are engaged in building tugs, hopper barges, small craft, inland sea-going vessels up to 1,000 tonnes, and so on.

There are many problems which the Indian shipbuilding industry has to reckon with. The dependence on imported equipment which used to be as high as 80 per cent about 10 years ago has now been reduced to 45 per cent. When the marine diesel engine plant at Ranchi goes into production, the dependence on imported equipment will further come down to 15 per cent.

The crucial items that are still being imported are the advanced navigational equipment like gyro, compass and radar which are obtained mostly from Britain.

India has still much to learn in technology, both for designing shipyards and building ships. This technological gap is expected to be bridged when the Government sets up the proposed Central Marine Design and Research Organization for building a nucleus of indigenous skills.



Poverty alongside twentieth-century technology—one of the new power stations outside Delhi. Its generators have an output of 400 megawatts.

Development of nuclear power spearheads drive to solve energy problems

by Tim Congdon

India covers an area of more than three million square kilometres. It is not surprising, therefore, that it is reasonably well endowed with energy resources. Nevertheless, the subcontinent has been hampered in recent years by persistent power shortages.

It has also become anxious of the oil reserves of its Arab neighbours. The dramatic rise in the price of oil has been a special grievance, not only because of the dire impact it will have on India's balance of payments, but also because it establishes a marked disparity in income per head between two regions, which, if not far apart geographically, have economic problems of different kinds and gravity.

However, India has been making a determined attempt to overcome the problems facing it. There are three main parts to its programme. The first is the development of nuclear power, which culminated in the explosion of a nuclear device on May 16. India has insisted that this is for peaceful purposes. It should be of immense value in helping to assimilate the technology associated with the development of nuclear power stations.

However, nuclear power, as a supplement to the conventional power sources, is in its infancy. A small station at Tarapur near Bombay began to generate power in October 1969, with a capacity of 420 MW. Several other stations are in construction or are in the early stages of generation, but they represent a tiny fraction of the overall installed capacity.

Second, it has taken steps to develop what may turn out to be extensive offshore oil deposits. These are mainly off the west coast—one area being near Kerala and the other being known as the Bombay High. There may also be smaller reserves off the West Bengal coast.

The Government has long been reluctant to grant prospecting concessions to foreign companies, because of its wish to rely on its own resources of manpower, finance and technical skill. However, the oil crisis has prompted a reexamination of priorities.

A government statement in the middle of May said that foreign firms have been invited to undertake the exploration and development of oil on India's continental shelf. The statement was terse because the

details are still clearly the subject of negotiation, but it seems likely that American companies are among those involved.

This followed a visit of Mr Borooah, the Minister of Petroleum and Chemicals, to the United States and Britain at the end of April. It is understood that the companies in question are fairly small and that the Indian Government is intending to give the state undertaking, the Oil and Natural Gas Commission, the exclusive right to exploit one of the 10 blocks.

The size of the reserves off the Indian coast is a matter for speculation. But it would evidently make an immense difference to the Indian balance of payments if the reserves turned out to be large.

Finally there are plans to step up coal production. Like Britain, India is still remarkably dependent on coal for both power and transport. In 1972-73 coal production was 76,400,000 tonnes, with the electricity supply industry much the largest purchaser.

The coal deposits are concentrated in the north-east of India, in West Bengal, Bihar, Orissa and Andhra Pradesh. These areas are consequently also the major

ones for iron and steel production, and heavy engineering.

The coal mines were nationalized in 1972 and 1973. They now function under the authority of the Coal Board, whose work has been described as "the preservation of safety in coal mines and the conservation of coal".

One of the principal objectives in energy policy over the next few years will be to raise coal output. The fifth plan envisages output levels of 90 million or 100 million tons within the next two or three years. This will make India one of the largest coal producers in the world.

By comparison, Britain, the largest producer in Europe, produces about 130 million tons a year.

This three-pronged attack on the power problem should eventually result in the more plentiful provision of power supplies to industry and commerce. However, for the time being the situation remains critical.

In the eastern states, in particular, the damage which has been done has been serious. Load-shedding and power cuts are an everyday occurrence and make certain kinds of industrial activity, notably those requiring continuous pro-

cess production, precarious and, at times, impossible. The situation has been aggravated by go-slow action by power engineers. This also has been most severe in the eastern states, with West Bengal and the viticulture corridor, Calcutta, the main victims.

In the western states conditions are, on the whole, much better. States such as Punjab, Haryana (which includes Delhi) and Madhya Pradesh (which includes the Bombay cotton industry) have scarcely been affected this year, although the Bombay cotton industry was found in its complete state of collapse. Part of the problem is the new capacity of agricultural machinery installed in parts of India for this year. This is largely the privately-owned machinery which has been obliged to operate under government restrictions, prices down and the finance for new crops. However, the fifth plan to remedy this and a grant of 2,120,000 kW is envisaged for 1974-75.

This should help to ease that in the next few years Indian industry has sufficient energy resources to keep production and exports at a growing volume.

The king of India's forests doesn't rule the land any more



When you think of tigers, naked fakirs and the Indian rope trick, you think of an India that most of her own people do not know. For while the tiger roars majestically in his reserved forests, the modern Indian is busy carving out a better life for himself. Today, tractors and steel plants are the symbols of a new India.

A better life in the modern world needs greater economic independence. That is why heavy industry and a more productive agricultural system receive great importance, for it is these that lay the foundation for a nation's prosperity. India's mines, steel plants and other metal processing plants are rapidly taking her towards self-sufficiency in these vital areas. Her agriculture is no longer geared merely to subsistence but to the building up of a surplus.

And starting from here, India builds. The mysterious East reaches out to meet the sophisticated West—on the latter's own terms. Take a look at India's industrial list. Machine-building, steel structural fabrication, machine tools, cutting and hand tools, electric motors, switchgear and motor control gear, diesel engines, internal combustion engines, railway wagons and coaches and many other light engineering goods. Can we risk a cliché? You name it and we've got it.

The engineering goods sector has now reached a level of maturity where it can export—with confidence. Since labour is plentiful, our goods are competitive in price. Since our engineers, technicians and



workmen are first-rate, our goods are of impeccable quality. And so, they find eager acceptance not only in neighbouring countries but also in the highly competitive and exacting markets of the West.

And exports is where the Engineering Export Promotion Council comes in. Or imports, from your point of view. We have over 4000 manufacturers and exporters as members and just as we help them find the best markets to sell in we'll help you find the best markets to shop in. With us there, you'll find your way around better. To the item you want, at the quality and price at which you want it. And even if you're not buying but just looking around, we'll keep you clued in to the latest in the engineering scene in India. With pleasure.

Just get in touch with your nearest EEP Council office about what you need. You might get yourself a deal.

WE GIVE YOU INDIA

ENGINEERING EXPORT PROMOTION COUNCIL
World Trade Centre, 14/1-Ezra Street, Calcutta-700 001, India
Beirut (Lebanon) : P. O. Box 9582, Beirut (Lebanon). Phone: 35-3585;
Chicago (U.S.A.) : 333 North Michigan Avenue, Chicago, Illinois 60601 (U.S.A.),
Phone: Office: 236-2182; Duesseldorf (West Germany) : Indische Technische
Händlerberatung, 4 Duesseldorf, Immermannstr-58. Phone: Office: 359277;
London (U.K.) : 28/30 Cork Street, London W.1. Phone: 01-493-9808;
Nairobi (Kenya) : P.O. Box No. 42030, Nairobi (Kenya). Phone: 26080;
Singapore : P.O. Box No. 8, Singapore-8. Phone: 382336.

مركز من لإصل



Commuters from the suburbs of Bombay during the morning rush hour.

Railways have difficulty keeping up the pace

A Special correspondent

transport bottlenecks certainly play their part in delaying deliveries. Like everything else in India, the transport problem is big and complicated. Over the past 10 to 15 years, the railway ministry has electrified or channelled to diesel several thousand miles of track, though steam traction remains the primary form of power. Now the country's energy crisis is total and there is pressure in every direction—on oil, coal and electricity.

The hoisting of Middle East oil prices has hit the country hard. India may have to spend nearly 75 per cent of its foreign exchange earnings on oil imports in the coming year. But there is a glimmer of hope in optimistic reports of the latest oil strike in offshore drilling off Bombay. The area may yet become India's North Sea.

There is a one million kilowatt shortage of electrical power, especially in northern India and the vital eastern industrial districts of West Bengal, caused by lack of water in rivers and of coal, and production in most factories has resolutely been curtailed.

India has vast coal resources, but mining has run into difficulties since the nationalization of the mines two years ago. Frequent strikes and primitive methods, inherited by the Government from the former owners who spent little or nothing on modernization, keep to schedules, and pose major problems.

All these difficulties have confronted the Indian Government with a serious difficulty—where to concentrate its efforts. Manufacture of steam locomotives was stopped only two years ago, but there are now suggestions that it should be revived. There may also have to be a temporary halt to electrification.

Despite the problems, the Indian railways remain among the cheapest in the world. You can travel 1,000 miles by third class for a mere Rs50 (less than £3). A 20-tonne wagon costs just over Rs 1,000 (ES\$) to haul goods over a distance of a thousand miles. With the oil price increases, lorry transport can no longer undercut rail charges.

Between them, the rail lines and the fairly well maintained road network of more than 300,000 miles, provide fast connexions for people and goods to every corner of India. All major ports are well served, though efficiency could be greater.

Firm estimates are hard to come by, but it is thought the country's 400,000 commercial vehicles—mostly built domestically—haul almost as much freight as the railways. Oil price increases have not, however, helped.

The railway moves vital raw materials, such as coal, fertilizers, oil and food products, in bulk. Its importance can be gauged from the damage done by a 20-day strike

over wages last May, when the national economy lost something between £5,500m and £11,000m in production. The railway also affords special fast freight trains and a fairly successful door-to-door container service.

The country's planners have done well to build up a massive rail manufacturing industry, too, which supplies most of India's requirements and also sends abroad. According to experts, export orders for wagons and rolling stock could pour in if there were no steel shortage and schedules could be met.

The jet age has yet to make any major impact on the country's external trade, mainly because of the cost and the type of exports. There are few items of consumer cargo that can be carried by air, but what little there has also been affected in recent years.

Many international carriers abandoned Calcutta several years ago because of the frequent strikes, violence and other troubles in the West Bengal capital. Now more airlines are avoiding other airports such as Bombay and Delhi because of the fuel situation.

But in any case, according to some leading exporters, a more important problem than finding space on planes is that of getting goods to the airports on time.

Another of the country's handicaps is its highly congested docks, especially in

Bombay and Calcutta. While a new harbour is being planned for Bombay along with the twin-city across the overcrowded island of Wadala, port has already started relieving some pressure on the freshwater port of Calcutta which is so difficult to navigate.

There is little seaborne internal trade, unless one takes into account the short coastal runs by small sail-driven craft. However, the Government is spending money on encouraging transport along the coast by mechanized craft as well as on building up an inland transport network.

While the Government grapples with so many complex problems of transport, a newspaper editorial recently supported the idea of boosting the age-old method of bullock carts. According to a survey, carts carry more than 2,000 million tonnes of goods on short hauls every year—almost 10 times as much as the railways.

The Indian Institute of Management, in the southern city of Bangalore, is reported to be making a study of how to construct an efficient bullock cart that can move faster and travel longer distances. The newspaper maintains there is no doubt that bullock carts will continue to play a major role in the nation's economy, and few Indians would deny that.

Shipping is rapidly becoming a major constraint on India's exports. Two factors are at work here. Freight rates have been rising steadily, and exporters claim this is inhibiting export growth. Second, and more serious, there is a growing shortage of shipping services.

This is indirectly related to the freight rate problem, because the shortage is most acutely felt in the liner trade where the constant confrontation over freight rates between the conferences and Indian shippers—who are backed heavily by the Indian Government—makes Indian ports unattractive to the conferences.

In 1972-73 Indian ports handled 58 million metric tons of cargo. Of this about 46 million tons consisted of four bulk commodities: petroleum products, fertilizers, foodgrains (all imports) and iron ore exports (13 million tons primarily to Japan). Other dry cargo, which is handled mainly by the liner conferences, totalled about 12 million tons and has been virtually stagnant at that level for the past five years.

This stagnancy in dry cargo growth partly reflects the slow growth both in volume and value terms of India's imports of non-bulk commodities. It also reflects the fact that the entire growth in exports during this period has been largely due to higher unit value realizations. However, the boom in Indian exports over the past 18 months has focused attention on the inadequacy of shipping space, particularly on the India-United Kingdom/West European routes.

Freight rates have been rising steadily. The Shipping Ministry reports freight rate increases varying from 10 to 27 per cent in 1973-74. The liner conferences have also levied 10 to 15 per cent currency adjustment surcharges, bunker surcharges and port congestion charges, particularly in Bombay when the turnaround time for vessels deteriorated sharply last year.

The subcontractor—United Kingdom—West European conference (which handles over 40 per cent of India's trade) is proposing a 10 per cent increase in freight rates from October, 1974 as compensation for rising operating costs. This follows a 12.5 per cent increase imposed last October. Indian shippers have rejected the proposals, and the battle lines have been drawn for yet another showdown in the negotiations due to take place this autumn.

The Government says that

Growing shortage of shipping services

freight rates have been rising far too frequently. It price competition altogether, which eliminates bodies which eliminate price competition altogether and pool their profits. This in effect means that freight rates are determined by the operating costs of the least efficient members of the conference. New members are scrupulously kept out, and hence exporters are left entirely at the mercy of the conferences because they are left with no alternatives, and deprived of the enormous technological advances in world shipping.

The India-United Kingdom/West European conference have been able to indulge in these restrictive practices because Indian flag ships—including the public sector giant, the Shipping Corporation of India—are members of the conferences and are kept happy with a large share of the cake.

The Government, on its part, has from the start favoured an interventionist policy vis-à-vis the conferences. Through a freight investigation bureau the Government attempts to ensure "fair" freight rates and secure space for Indian ships. New Delhi also insists on sizeable rebates for government and public sector imports and exports and recently negotiates special freight rates for particular commodities as, for example, newsprint and woodpulp imports.

This policy has had a predictable impact on the behaviour of conferences who have retaliated by simply reducing the frequency of their services to India, allocating "any old tub" to Indian routes, and raising freight rates. One shipping economist describes the frequent use of the currency adjustment factor for levying surcharges as "quite wicked".

India's deputy Minister of Shipping announced in Calcutta recently that his ministry was reviewing the working of the liner conferences. He said the system was not working in India's interests and the Government was examining what could be done about it. He called for greater coordination between shippers and shipping lines so as to make the optimum use of what some of the shipping space was available.

The shipping ministry is reportedly investigating the rebate on acquisition of liner shares after May 31, 1975. It is anxious that major corporate, tax-sheltered entities, and yet without adequate clear formula for currency adjustment surcharges, the case for separating the pure liners, Indian exporters will in fact haulage component from remain at the mercy of the cargo handling charges so as conferences.

They claim their rates of return on investments remain low, that Indian ports are grossly inefficient—resulting in a disastrously long turnaround time for ships—and that Indian export cargoes, because of their lower unit values, have traditionally been subsidized by shipments from Europe and Japan, whose unit values are higher. European shippers, they claim, now reject this round voyage freight rate structure.

It is quite possible that Indian exporters are over-sensitive to freight rate changes. A common item, for example tea, in which supply outstrips demand is clearly sensitive to freight costs. The freight element in the price of tea has risen over the past decade from 6 to 12 per cent. But as the rupee is floating, it has depreciated against all major currencies.

This makes Indian exports highly competitive and has not been demonstrated that an increase in freight costs inhibits all Indian export items. As one exporter puts it: "We can bear freight rate increases. What we cannot bear is the absence of shipping."

to differentiate the issue of port inefficiency from the issue of rising operational costs is also under examination. The commerce ministry, which is concerned about the adverse consequences for Indian exports, has been emphasizing the need to improve port efficiency and introduce palletization and containerization to reduce turnaround time. The ministry is also arguing the case for a larger investment by Indian shipping companies in dry cargo liners. India has 201 ships operating on its overseas trade routes; these ships account for roughly 16 per cent of its trade. However, the share of Indian flag carriers in bulk commodities is low, though Indian ships handle 45 per cent of the liner trade.

Provided the bulk of the funds

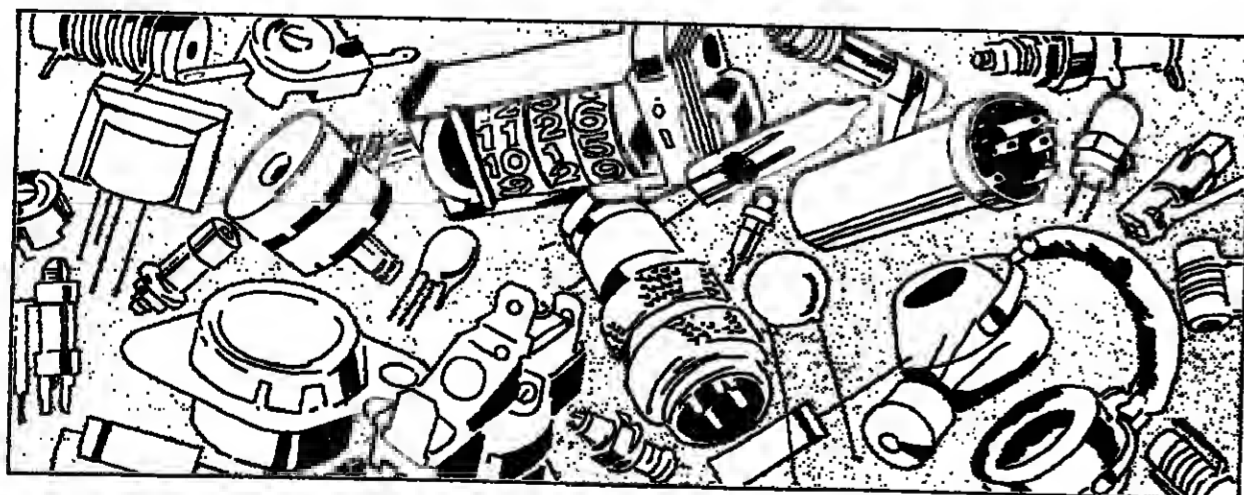
The planning commission, with its eye on making a major dent on the foreign exchange payments, has provided the bulk of the funds allocated for shipping in the fifth five-year plan (1974-79) for the acquisition of bulk cargoes and tankers. Of the 260 ships due to be acquired during the plan, 107 will be bulk cargo vessels and 153 will be tramp ships. The tanker fleet will increase fivefold to 1,370,000 gross tons, the tramp fleet over 2,600,000 tons. As a result, while the plan estimates that by 1979 Indian ships will carry 100 per cent of the trade in crude oil and petroleum products, 50 per cent of the iron ore exports to Japan and 100 per cent of the iron ore exports to Europe, its share in the liner trade will go up from the present 45 per cent to 50 per cent.

This relatively small allocation for liners fits in with the priorities of Indian shipping companies. They find the liner trade too troublesome and not profitable enough to make the effort worth while. With the withdrawal of the development rebate on acquisition of liner shares after May 31, 1975, the investments in Indian-owned liners, Indian exporters will in fact haulage component from remain at the mercy of the cargo handling charges so as conferences.

Opportunity unlimited in electronics export

You can sell electronic products at competitive prices if you locate your manufacturing centre correctly.

Let us tell you why SEEPZ, Bombay, is your best bet.



Bombay is midway between Europe and East Asia, and squarely in the middle of the booming Afro-Asian market. Raw material sources are nearer, and freight costs are much lower. You can sell your products at competitive prices, and at the same time safeguard your margin. Besides, SEEPZ offers you so much more:

- * Power and water, available in plenty
- * Land and built-up factory space at concessional rates
- * Import and excise duty exemptions
- * Skilled manpower at low wage rates

- * Ready infrastructure
- * Well-developed ancillary base for zero inventory and low freight costs
- * Streamlined administrative procedures
- * Eligibility for the Generalised System of Preferences (GSP) on exports to developed countries.
- * Foreign Companies in India, coming under the scope of FERA (Foreign Exchange Regulations Act), have an excellent opportunity to dilute equity by setting up manufacturing units in the Zone and diversifying into electronics export.



For detailed information, please address enquiries to:
THE DEVELOPMENT COMMISSIONER
Santa Cruz Electronics Export Processing Zone,
 8th Floor, Air-India Building, Nariman Point, Bombay 400 021, India.
 Tel: 258551 • Grams:SEEPZONE • Telex: 011-3836

Handwritten text in a box at the bottom center of the page, possibly a signature or a note.

Bank finance has added muscle to overseas sales effort

by DEEPA...
Bank of India, Bombay

Commercial banks in India are playing a crucial role in boosting the country's exports. Apart from meeting the growing credit requirements for exports, banks are providing a range of financial and allied services vital for export promotion.

Credit against cash incentives and duty drawbacks, bid-bond and performance guarantees for export contracts, securing exchange permits and provision of export certificates are a few of the supplementary but significant services performed by commercial banks.

Traditionally, banks were providing mostly post-shipment credit by discounting or negotiating export bills. But as production lags emerged as the main bottleneck in several sectors of export, attention was directed to increasing the pre-shipment credit.

This shift was aided by economic change in India; the manufacturing capacity developed in a wide range of non-traditional products enabled it to switch to export of machinery and capital equipment, rather than rest content with export of processed agricultural products.

The quantum of export credit provided by banks has increased steadily over the years with the increase in the value of exports. India's exports registered a big spurt during the past two years; from Rs16,070m in 1971-72, they went up to Rs23,520m in 1973-74, representing a growth rate of 16.5 per cent in 1972-73 and 22.5 per cent in 1973-74.

This sharp increase must be attributed to least partly to the global inflation and the consequent higher unit prices realized, especially in rupee terms. Even so, banks did provide all the financial support needed to accomplish this growth.

Filling some gaps in credit

The amount of export credit outstanding has gone up from Rs4,270m in March 1972 to Rs7,850m in March 1974, which represents a growth rate of 20.5 per cent in 1973-74 and 48.9 per cent in 1972-74. Besides, such credit accounted for 33.4 per cent of the value of exports in 1973-74 against 26.6 per cent in 1971-72.

In rendering financial support to the export effort, banks have attempted to fill in certain lacunae in the financial arrangements. A decade ago, India, like other developing countries, was a recipient of suppliers' credit provided by West European countries, the United States and Japan for import of intermediate products and capital goods.

capacity in a number of lines of production under the impetus of import substitution. Engineering goods account for about 10 per cent of India's exports and a sizable proportion of these goods goes to developing countries in Asia and Africa. Since the purchasers in those countries do not have the resources to pay in full for the imports, they have to depend on credit provided by suppliers or alternatively by banks in their country.

Commercial banks in India have taken the initiative to provide medium and long-term credit to purchasers of capital goods abroad, though in certain cases they have been refinanced by the Industrial Development Bank of India (IDBI) at concessional rates. In select cases, the IDBI participates with the commercial banks and takes responsibility for the risk involved.

Commercial banks have also entered into consortium arrangements in cases where the financial involvement is substantial. As a supplement, efforts have been made to introduce buyers' credit under the initiative taken by the IDBI. Commercial banks are now giving, wherever necessary, credit directly to foreign buyers of capital goods manufactured in India.

Thus the new forms of credit provided by banks have enabled Indian exporters to compete effectively with exporters from foreign countries in bidding for supply of capital goods and machinery. In addition to providing deferred payment facilities to exporters, the Reserve Bank is arranging credit in foreign currencies with the assistance of their foreign branches and correspondents. Indian firms under-

taking turnkey projects or joint ventures in other countries, require rupee finance to buy the equipment manufactured in India and foreign exchange to make other purchases, pay wages and meet incidental charges in the country where the project is located.

While the rupee finance needed for fulfilling the contract is provided domestically, the foreign exchange required is arranged through branches or correspondents operating in those countries against guarantees provided by the financing bank. The facilities thus made available by banks in India may be considered even more comprehensive than those provided by banks in some of the developed countries, wherein finance is given only for export of goods and services produced in that country and not for purchases made in third countries.

Some of the banks in India have gone a step further and taken responsibility for collecting the export realizations and remitting them to India from time to time. This, no doubt, goes much beyond the conventional banking function and is a major step forward in providing credit to India's export effort.

The forward cover which commercial banks are offering to exporters of machinery as well as those undertaking turnkey projects abroad is another facility. Foreign exchange transactions in India are subject to the approval of the Reserve Bank of India and ordinarily the Reserve Bank provides forward cover up to six months' duration (extendable up to nine months and a year in special cases) with a view to enabling the

exporter to protect himself against fluctuations in exchange rates. This cover is available not only in sterling but also in other major currencies such as the dollar, deutschemark and yen. The facility would go a long way in removing the uncertainties experienced by exporters undertaking long-term contracts in foreign countries.

Help for smaller enterprises

An assessment of the role of Indian banks in export finance would be incomplete without reference to the assistance provided by them to the small exporter. In the past, small exporters wanting to sell goods abroad had to depend upon private bankers or financiers both for credit and for other services. But recently, banks have stepped in to assist them in a big way by providing credit, exploring market potential and securing reports on the credit standing of the importers in foreign countries.

The services thus provided have enabled several small exporters of ready-to-wear garments, leather goods and handicrafts to find markets for their products abroad and earn a tidy sum by way of foreign exchange. Simultaneously, the support given by commercial banks, in spite of the high degree of risk involved, has helped to foster the continued growth of several traditional and labour intensive activities in the country.

The Government and the Reserve Bank of India have provided the necessary facilities to commercial banks for meeting the credit requirements of exporters. First,

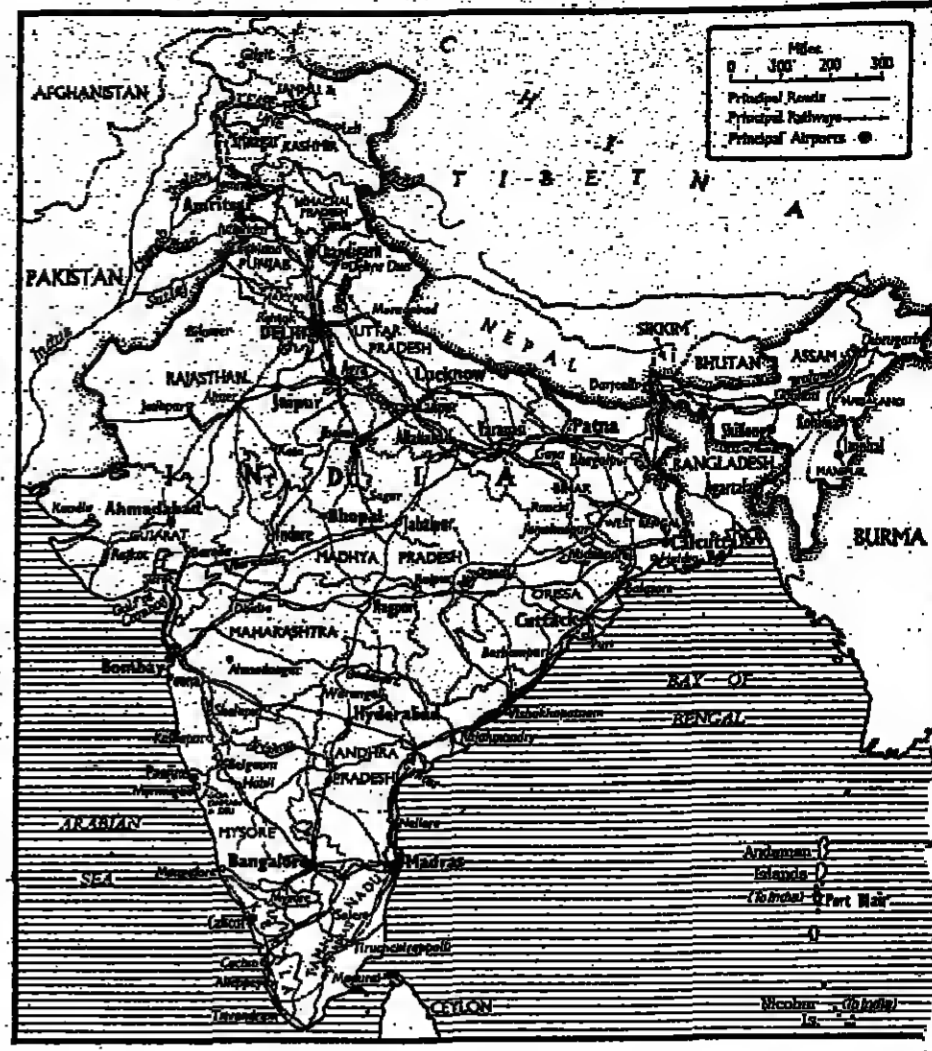
credit provided for export was eligible for refinancing at a concessional rate, and it was exempted from the quantitative ceiling on credit imposed by the Reserve Bank of India in the wake of the inflationary situation prevailing in the country. This concession is substantial enough as it enables the banks to be more generous over export credit compared with other forms of credit.

Second, the rate of interest charged on short-term export credit is only 9 per cent compared with 12 per cent to 13 per cent charged for other types of advances. For credit in deferred payment terms, the rate is still lower at 7 per cent.

Indications are that commercial banks will assume a still larger role in export promotion. Several Indian banks are trying to set up branches in Europe, the Middle East, the United States and the Soviet Union. This global branch expansion would go a long way in equipping banks to function more effectively as promoters of exports.

Third, along with expansion of branches, banks are also widening the range of their operations abroad. The entry of Indian banks into the Eurodollar market on behalf of Indian companies, particularly shipping companies, is a significant pointer. That the Eurodollar loans are being obtained at rates which are normally quoted for prime, blue-chip organizations lends lustre to their stature.

Finally, plans are afoot to set up a new export-import bank which would help to augment further the resources available for financing exports. All this augurs well for a greater future for India's exports.



Foreign investors take notice

by a Correspondent
If the Indian Government is to be believed, foreign investors are beginning to look at India for the first time as a credible base for export operations. In its latest annual report, the Trade Development Authority, an official body set up to promote non-traditional exports to the affluent markets of the world, cites the following examples.

An American company is proposing to produce tennis rackets for export to the United States. Another wishes to manufacture glass-fibre ocean-going luxury yachts for 100 per cent export to the American market. An Irish company is proposing to produce wooden luxury yachts for export only. A British company, owned by an Indian, is being persuaded to set up a shirt manufacturing factory outside Delhi for exports to Britain. A French company is planning to produce leather watch straps for export to Europe. A West German enterprise is proposing to manufacture electronic calculators and quartz clocks with a liquid crystal display, again for 100 per cent export. A Belgian company is considering transferring its complete plant and machinery to India for the manufacture of bicycle chain wheels and cranks.

There are countless other examples. Whether they add up to a substantial flow of foreign private investment into export-oriented ventures is still too early to tell. There are no recent statistics available on the subject. But all the evidence suggests a growing interest which has still to be translated into sizable investment decisions.

The interest is primarily confined to labour intensive

industries or areas of technology that are being "visited" from the West in favour of the developing world. Taiwan and Hong Kong, to name two countries, have already taken advantage of this in a big way. As always, India has been late off the mark. But it is waking up to the possibilities.

Its abundant supplies of low-cost skilled and unskilled labour and managerial talents provide a unique advantage for a large export operation. The setting up of special export processing zones and the incentives it is attempting to provide foreign investors who wish to get a foothold in Indian export activities reflect a significant shift in official policies.

The list of incentives India offers: export-oriented foreign investors is long, and superficially, impressive. Export ventures receive priority treatment under India's industrial licensing regime. Companies with a foreign equity holding in excess of 40 per cent are normally only allowed to expand in a restricted set of industries, usually involving substantial capital investments or complex technologies. This restriction is waived if such companies are willing to invest in any operation in which more than 60 per cent of the output is exported.

Foreign investors and foreign-controlled Indian companies are usually not permitted to invest or expand operations in industries reserved for the small-scale sector. But should they be willing to accept an export obligation of 75 per cent of the proposed output, this rule may also be waived. Fresh foreign investment is also permitted only when the equity participation is below 40 per cent. But this rule can be waived when

exports are the primary reason. Export-oriented units receive priority treatment in the allocation of foreign exchange for import of capital goods, dies, jigs, tools and raw material. This special treatment includes the freedom to import from preferred sources of supply and larger replenishments to accord with the rise in world prices of raw materials. Exporters are also exempt from the allocation of foreign exchange for import of capital goods, dies, jigs, tools and raw material. This special treatment includes the freedom to import from preferred sources of supply and larger replenishments to accord with the rise in world prices of raw materials. Exporters are also exempt from the allocation of foreign exchange for import of capital goods, dies, jigs, tools and raw material.

But the main export incentive consists of cash subsidies, ranging from 5 per cent to 25 per cent of export price, on a select list of products, usually non-traditional items. Exporters are also entitled to drawbacks on customs duties paid on imported raw materials and refunds of excise duties. These are substantial benefits, though their impact is partially neutralized by cumbersome bureaucratic procedures that delay claims settlements on drawbacks and subsidies.

The only major tax concession for exporters is an export market development allowance under which they are permitted to deduct from income 150 per cent the expenditure they incur on export promotion. This concession does not apply to companies which have a

continued on facing 3

Flow of aid increases—in spite of entry into nuclear club

by Sarwar Lateef
The Statesman, Delhi

The biggest fall-out expected from India's underground atomic explosion in May was a possible cut in economic aid on the ground that India was diverting its scarce resources to matters of low priority. But, surprisingly, the concern at India's entry into the nuclear club did not develop into any concerted move for economic reprisals.

The Aid India Consortium meeting in Paris in the middle of June endorsed the World Bank's recommendation of a sharp increase in assistance to India in 1974-75 to help the country meet the higher cost of oil imports. This commitment represents an increase of \$200m over the 1973-74 level.

Only two countries translated their concerns over India's nuclear intentions into specific gestures. Japan announced that it would freeze assistance at 1973-74 levels, while Canada said that it would review non-agricultural assistance and not take part in the proposed debt-rescheduling. Italy and some of the smaller European countries were unable to announce firm commitments because of domestic financial difficulties.

But some of India's main bilateral donors more than made up for these hesitations by substantially raising their assistance. The United Kingdom, now India's largest bilateral benefactor, promised \$75m, a 19 per cent increase. West Germany promised 350m Deutschemarks, an increase of 16 per cent. Sweden gave a pledge of

265m kronor, an increase of 48 per cent; and France promised 274m francs, an increase of 16 per cent.

The United States indicated that the foreign aid Bill before Congress provided \$75m for India. This level of aid is well below the \$100m that the United States used to give India in the 1960s.

The biggest component of this year's \$1,400m commitment is from the World Bank's soft loan affiliate, the International Development Association which is expected to contribute \$600m provided that the United States Congress approves the fourth replenishment.

Although IDA assistance is crucial to India's calculations, there is considerable undischarged IDA aid in the pipeline and, taking into account the fast disbursing nature of the present year's commitments, the Indian Finance Ministry expects that disbursements of consortium aid in 1974-75 will total as much as \$1,350m, a good third more than last year.

Mr M. C. Kaul, the Economic Affairs Secretary, says that this increased inflow of aid helps to meet the payments crisis but is quick to add, "We are still in a difficult situation and have to use our resources very sparingly and very cautiously." For instance, the underlying caution is understandable. India's import bill is expected to rise from \$3,295m in 1973-74 to \$5,000m in the present year; this is because of a vast increase in the cost of oil and fertilizer and a sharp deterioration in the food situation which necessitates

importing at least four million to five million tons of food.

The World Bank has estimated that oil imports will cost \$1,300m in 1974-75, compared with \$250m two years ago; fertilizer is likely to total about \$50m, and food, including from \$400m to \$600m.

Exports in 1974-75 are estimated by the World Bank at \$3,200m compared with the provisional figures for 1973-74 of \$3,014m. With a debt service liability of \$700m the total payments gap is likely to exceed \$2,500m. If consortium disbursements reach \$1,350m, there would still be a gap of \$1,150m to be bridged. Of this the World Bank expects, rather optimistically, that credits from other sources, primarily the Soviet Union and East European countries, will total \$300m. There would also be \$375m in the form of drawings on the International Monetary Fund which have already been completed, and \$200m in the form of oil credits. This still leaves an uncovered gap.

The implications of this arithmetic, however, are that India will scrape through the first year of the fifth plan (1974-75 to 1978-79) despite the sharp rise in the cost of its principal imports. This proposition is based on certain assumptions which may not hold. For instance, the total of \$3,200m predicted. Unit value realization of two important items, textiles and oil-cakes, has fallen sharply. Prospects for joint and tea remain poor, shortages of energy and steel and recessionary trends in the advanced economies are a

serious constraint on non-traditional exports.

Another assumption is that the monsoon will prove adequate and that food imports can be held down to four million to five million tons. With government food stocks at low levels and official procurement from the northern spring wheat crop poor, this quantity of imports appears to be on the conservative side.

Similarly, the World Bank may have over-estimated the cost of crude oil imports by assuming an average price of \$10 a barrel. India is paying \$11 to \$12 a barrel after the participation agreements in the Gulf. On the positive side, if the present industrial stagnation continues the 10 per cent growth in value assumed for imports other than fertilizers, food and petroleum products may not materialize. But this can hardly be a source of consolation.

While the consortium commitments for 1974-75 have ostensibly given India's policy-makers a breathing space, the payments gap is structural and long-term while the relief provided is temporary. The carefully contrived arithmetic of the draft fifth plan has been shattered and India's planners have yet to produce alternative estimates based on the new realities of the International scene.

The World Bank has, however, attempted an aid and debt study for the fifth plan period which was presented to a working party meeting of the Aid India Consortium in April. The original study envisaged India's import requirements over the period of the plan at \$26,000m, or about

\$8,300m above the planning commission's own estimates as contained in the draft of the plan.

The difference is accounted for partly by the rise in crude oil prices. The draft plan, released a few weeks before the new Gulf prices were announced, had estimated an unrealistic price of \$3 a barrel in 1974-75, rising to \$4.75 in 1978-79.

The bank study used what proved to be a conservative \$9 a barrel and assumed a 3 per cent a year increase. On this basis it placed imports of oil products at \$1,265m in 1974-75, rising to \$2,005m in 1978-79 (\$8,020m for the five years, or twice the amount assumed by India's planners).

The bank also questioned the second main balance of payments assumption of the draft plan; that India will require no food imports. It allowed for five million tons of food imports to rebuild the stocks at present depleted and another five million tons of contingency imports in the event of a serious drought.

On exports, the study accepted the planning commission's target of a 7.6 per cent annual rate of growth in terms of volume. But, unlike the commission, it assumed a 2.4 per cent annual rate of increase in export prices, and estimated earnings over the fifth plan period at a total of \$26,000m.

It allowed for a rise in debt service obligations from \$625m in 1973-74 to \$780m in 1978-79 and a replenishment of foreign exchange reserves to a level equivalent to two and a half months' merchandise im-

ports. Taking all these factors into account, the study estimated a payments gap of \$12,050m compared with the planning commission's estimate of \$5,010m.

The study suggested that the consortium should provide \$7,370m by way of gross aid and that East European countries should provide \$1,455m, leaving the balance to be covered by credits from oil producing states.

Even this study has been overtaken by events. Both fertilizer and petroleum prices are likely to be considerably higher than the original bank estimates. And of the 10 million tons of food imports assumed in the study as many as five million tons may be imported in the first year of the fifth plan, implying a much higher level of imports over the five-year period.

Further, the study has not allowed for the three drawings on the International Monetary Fund against India's gold tranche and under the compensatory financing facility. These borrowings will have to be repaid in the closing years of the fifth plan, adding to the debt service obligations assumed in the study.

The fifth plan will, therefore, need drastic amendments either with a view to increasing the export possibilities of the Indian economy or of making a serious attempt to reduce the import bill.

These are tough decisions for a Government that has committed itself politically to a large plan with important investments in the energy-intensive, import-intensive

CARRYING COAL TO NEWCASTLE MAY NOT BE SUCH A BAD IDEA!

With our products being exported to all the six continents, we are very much 'in' on the international electronics scene.

Recently we have received a sizeable order for radar systems from the renowned firm Messrs. CONTRAVES of Switzerland. They are one of the foremost manufacturers of radars themselves!

Then why place the order on us? For two very practical reasons. They know that we have dependable production capacity and technical expertise to deliver the goods — on schedule and custom-built to their designs and specifications. Secondly, the costs would be quite attractive.

Reasons, sound enough for any business organisation.

You too could profitably utilise our capacity and technical skills. Spell out the equipment or system and we will make it for you.

Our Bangalore Complex, comprising six manufacturing Divisions, occupies a land area of 70 hectares and employs over 13,000 workers. Our Ghaziabad Unit near

New Delhi is laid out over an area of more than 80 hectares and employs 1200 people. Each Division is a complete factory by itself, equipped with modern machinery and facilities. The sophistication and complexity of the machinery are matched by the skill and dexterity of our workers.

Product Range
A whole range of communication equipment from transceivers to high power transmitters, audio end video broadcast transmitters and studio equipment, UHF radio relay systems, radar systems for surveillance, weapon control and meteorology; components like transistors, integrated circuits, receiving and transmitting tubes, X-ray and TV picture tubes occupy the present production spectrum.

Production and Process Techniques and Control
Up to date techniques are employed using the latest machinery, inspection equipment and the best available materials. A high level of standardisation has been achieved



in all the activities right from the component choice to final packaging of equipment for shipment.

Reliability
We are fully equipped to design, produce and inspect equipment to rigid international standards like DEF, BSS, MIL, JSS etc.

A series of special tests and checks including extensive environmental tests ensure high standards of quality.

Development and Engineering
The highly qualified team of over 200 engineers in our Development and Engineering Division have to their credit the designing of several modern equipment and systems.

Prompt attention to your enquiries
Your enquiries will be processed by our team of dedicated engineers who will endeavour to give you satisfaction in every way.

BEL BHARAT ELECTRONICS LTD.
Jalahalli, Bangalore 560 013 — INDIA.

Handwritten text in a box at the bottom of the page.

Port houses spreading far afield

Within a few years of their inception the export houses have established a record rate of progress: a recent study by the Federation of Indian Export Organizations indicated an average growth of 33 per cent in their export turnover mainly for non-traditional products during the fiscal year 1973-74.

The economic logic of export houses derives from their ability to line up a comprehensive range of allied products for export from a number of manufacturers at minimum cost. In India, where exports of most of the firms are small, this makes sense. Automobile products are an illustration.

In the overseas markets they will share a common distribution and after-sales service organization. The cost of marketing is spread over a number of products. This combined endeavour is not only economically attractive but also readily acceptable abroad.

Unlike those of other countries, the manufacturers in India are not licensed for a wide range of products. For instance, light vehicles are not produced by manufacturers of heavy vehicles and vice versa, and unless a comprehensive range is offered it is difficult to get leading and established trading organizations abroad to take an active interest. By combining the endeavours of several manufacturers, the international trading position is strengthened.

Economic logic dictates that a country most specialise in exports of those goods in which its abundant factors of production are used most and scarce factors are used least. Development countries such as India must therefore identify and establish the manufacture of labour-intensive products, as far as possible using domestic raw materials, for which a demand exists in the world markets.

This will place the export of non-traditional products on a stable footing and at the same time offer worthwhile employment opportunities.

Most developing countries, particularly India, in their anxiety to become economically self-sufficient have concentrated on import substitutes rather than products with comparative advantages. In this connection the Indian export houses are doing valuable work in identifying export-oriented industries for which a more economical manufacturing base can be established in the country. Some export houses have in fact started new industries entirely for exports as their own manufacturing divisions.

In India many manufacturing units in the engineering, chemical and other industries have made commendable progress. Their products are comparable with the best in the world. They are deeply quality-conscious and fully

informed of the technological improvements and innovations being introduced all over the world.

With these reliable manufacturers, Indian export houses are taking a lead in promoting joint ventures abroad. More than 120 joint ventures have been or are in the process of being established.

The export houses provide commercial information, locate the right partners in the countries concerned and sometimes assume the responsibility for management of the projects, with the technical support and assistance of the Indian manufacturers.

The experience of Indians in establishing industries in their own country is particularly suitable for other developing countries. In fact, the cooperation of Indian manufacturers and export houses is being sought by many multinational corporations anxious to expand in other developing countries but unable to provide the managerial resources and time.

Indian export houses in these cases assume the commercial responsibility and management of such ventures with the technical support and assistance of the multinational corporations, and vice versa, and unless Indian staffs are made available for assignments for the setting up and operation of these projects.

During the past 25 years of planned development the Indian engineering industry has made tremendous progress. Its share in the organized sector works out to approximately 28 per cent of the number of factories, 35 per cent of the productive capital, 30 per cent of the employment, 34 per cent of the value of output, and 31 per cent of the value added by manufacture.

It has invested approximately Rs28,000m in factories producing approximately Rs30,000m worth of goods and provides work for approximately two million people.

Indians are now designing and building a variety of complex engineering plants at home and are winning recognition abroad. Indian technologists are preparing feasibility studies and project reports on many enterprises in different countries. Indian consultants are capable of providing a wide range of services from preliminary surveys to the commissioning of plants.

The progress made by the industry is reflected in the progressive increase in Indian exports to world markets in diverse forms of engineering products. In terms of value, exports have increased from approximately Rs50m in 1956-57 to Rs1,780m in 1973-74. The engineering industry world rank third in the exports list, but during the fifth five-year plan, ending in March 1975, it has been assigned the first place. Exports by 1978-79 are expected to be worth Rs4,500m.

At first exports were confined to simple manufactures and consumer durables. There has been a significant shift in the composition of engineering exports during the past 18 years. (See table in columns six and seven.)

Nearly a third of the total engineering exports now consists of plant and equipment, heavy structural equipment, heavy structural fabrication, transport equipment and capital goods. It is proposed to raise this proportion to 50 per cent by the end of the fifth five-year plan. Some idea of the progress made in this sector is given by the fact that during the past five years the cumulative exports in plant and machinery (textile, cement, sugar, food processing and other machinery) were about Rs600m. The projected value during the next five years in this sector is Rs2,270m.

Similarly, while the cumulative exports of railway coaches and wagons during the past five years have been about Rs182m, the projection for the next five years is Rs2,000m. For heavy electrical equipment the comparable figure is Rs196m, and this is proposed to be more than doubled during the next five years.

Many foreign offices have been established by the export houses. Their main thrust has so far been in African and Asian countries; but with the establishment of export-oriented industries for the manufacture of products required by the developed countries the export houses have already initiated marketing activity in the industrialized countries.

This will be followed by the setting up of warehouses and distribution centres to enable them to offer deliveries from stock and thus remove one of the important constraints of distance and long delivery periods. Subsidiary trading companies are also being established in the adjoining markets with the object of developing third country business.

The success of Indian export houses, in the context of developing economies such as India's, may establish their usefulness for many other developing countries. The trading experience and organization developed during the past few years should enable them to expand rapidly their operations in India and abroad.

Their specialized knowledge has given them the necessary confidence to plan for their future in the hope of making a greater contribution to the growth of world trade.

Engineering technology forges ahead

Dr B. V. Bhoota, chairman, Engineering Export Promotion Council

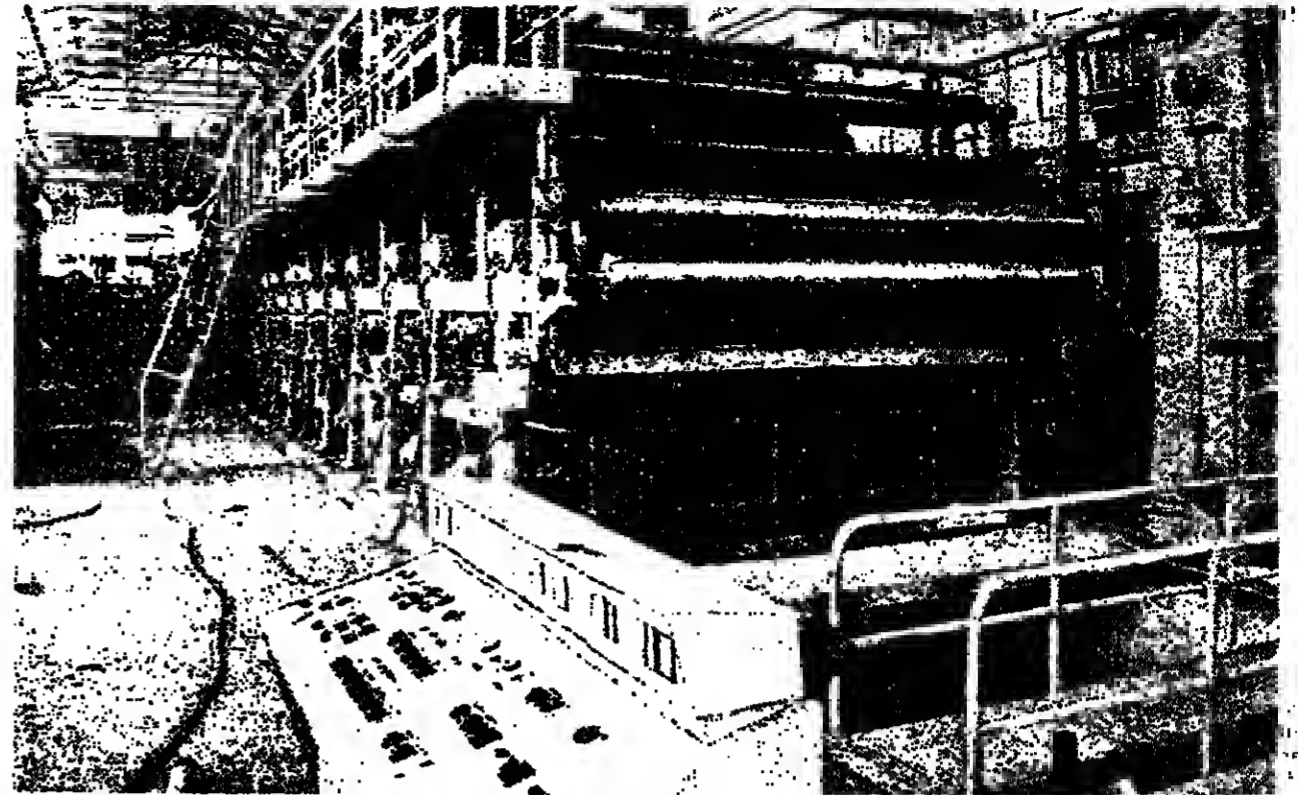
The engineering industry is facing the challenge of developing paper famine. This machine to make speciality papers is manufactured by Utkal Machinery.

While more than 30 per cent of the exports are still confined to the countries in South-East Asia and West Asia, exports to the developed countries have also substantially increased. The second table gives an idea of the direction of Indian engineering goods exports.

While a wide range of capabilities has been developed in various branches, the strategy adopted is that products and services offered abroad should essentially be limited to those sectors in which the technology of production is fully developed. Where this is not readily available the offer of engineering consultancy services is limited to detailed engineering. With this broad objective, the products and the engineering consultancy services being offered are concerned with dams, power transmission and distribution, roads and highways, water supply and sewerage, construction engineering and equipment, agricultural implements, irrigation, flood control and drainage equipment, mineral exploration, metal handling and dressing, retelling mills, grey iron and steel foundries, cement and cement products, sugar, cotton textiles, oil extraction and processing, machine tools, chemical plants, fertilizers, and light engineering industries including consumer durables such as bicycles, sewing machines, electric fans, switches and lights.

India is also able to offer consultancy services in all aspects of railway construction and operation, including all engineering disciplines—civil, mechanical, electrical, telecommunication and production shops.

Various projects have been undertaken abroad for setting up facilities for the manufacture of textiles, paper and hardware, electric fans, domestic sewing machines, bicycles, cement, sugar, light and medium structural fabrication. Although India's share so far has been negligible compared with the growing volume of world trade, it is looking forward to having a substantial share of the market in the developing countries.



The engineering industry is facing the challenge of developing paper famine. This machine to make speciality papers is manufactured by Utkal Machinery.

The short-term effort is selective, so that the scarce resources available are used to build up an export base in a few areas rather than being diffused over a large area.

India seeks to ensure that the time required to bring new capacities into operation for manufacture of commodities is relatively short. In recent years it has acquired the ability to participate in programmes of industrial development abroad, especially in the developing countries.

We are now able to build up a variety of infrastructural facilities from the stage of planning and designing to installation and commissioning of plants. We wish to share this ability with the developing countries to our mutual advantage. It is this desire to share the fruits of its economic development with other countries that has led India to make a beginning in establishing joint ventures.

Scarcity of capital and other handicaps have made the developing countries concentrate mainly on small and medium scale industries. Because of its growing experience in joint collaboration and participation in the establishment of industries in the developing countries it is likely to be welcomed. Nearly 40 joint ventures in the engineering sector have been approved by the Government of India, of which 20 have already gone into production.

From a small beginning the engineering industry has come to occupy the third position in India's export trade and promises to take the first position by the end of the fifth five-year plan. The road has had pitfalls because of domestic and external factors, but this has helped the industry to gain self-confidence. If developments in international trade are any indication, the future is likely to be more difficult. The engineering industry is, however, determined to play its part and to secure a respectable position not only in India's export trade but also in the world market for engineering goods.

	1956-57	1973-74
(a) Total exports (Rs million)	53.00	1,780.00
(b) Composition of exports (percentage of total)		
Industrial plant and machinery (textile, cement, sugar, chemical, food processing machinery)		
Power generator and distribution equipment (including transmission line towers)		
Fabricated structures (excluding transmission towers)	14.00	33.00
Transport equipment		
Others (consumer goods)	86.00	67.00
	100.00	100.00

	1956-57	1973-74
(a) Total export (Rs million)	53.00	1,780.00
(b) Direction of export (percentage of total)		
Asia		
SE Asia	34.05	29.00
West Asia	37.87	24.40
Europe		13.16
East Europe		7.53
West Europe	0.66	0.86
North and Central America		0.47
Australia		1.46
Others		2.33
	100.00	100.00

Foreign investors take notice

Foreign investors in India are taking notice of the incentives offered to them. In excess of 40 per cent of the total investment in India is now made by foreign investors. The incentives offered to them are designed primarily to cater to the needs of the foreign investor but to provide a measure of incentives that is consistent with India's own domestic political environment, which continues to look at foreign investment with a mixture of hostility and suspicion that is typical of former colonies.

Thus, from the Indian Government's point of view, the concessions to export-

oriented ventures constitute a major relaxation of policies towards foreign investment. This "relaxation" is a product of historical circumstances. The sizable flow of foreign investment into India in the late 1950s and early 1960s during the more liberal regime of Pandit Nehru was a direct result of the attractions of a large protected domestic market and political stability.

But since Nehru's death, political uncertainties have increased and the domestic

market expansion has slowed. During the populist era of the late 1960s foreign investment was exposed to an increasingly critical reassessment. One product of this reassessment was an increasing concern over the negative impact on India's balance of payments of private foreign capital.

With fresh investment flows small, flows going out on account of imports, dividend and profit remittances and royalty and technical fee payments outstripped flows coming in. The high-

cost structure of Indian investments ruled out substantial export efforts. This argument ignores the benefits to the balance of payments from import substitution. A recent study by the United Nations Conference on Trade and Development of 53 foreign companies in India showed that 48 had a negative direct balance of payments impact. These companies exported only 3.2 per cent of their sales.

To reduce the strain on India's balance of payments, the Government is forcing

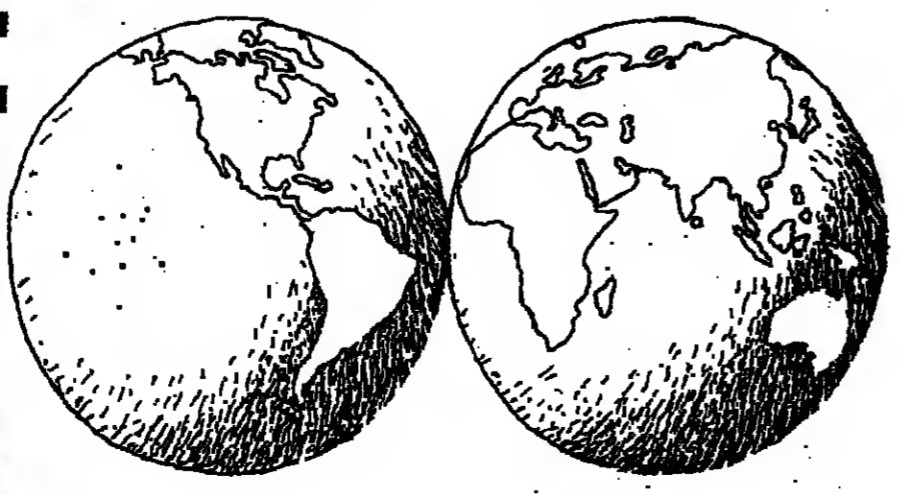
foreign investors to reduce their share of the equity to 40 per cent or below. It has also imposed ceilings on certain types of remittances such as royalties and technical fees. And the elaborate Foreign Exchange Regulation Act of 1973 attempts to plug all exchange leakages through such devices as over-invoicing of imports and under-invoicing of exports. Foreign companies have begun to examine how they can survive in this new regime.

One immediate result has been a greater export consciousness. This would not only enable them to claim that they are not a drain on India's balance of payments but would also fit in with the new requirements under the 1973 Foreign Exchange Regulation Act. Under the Act, companies with foreign equity participation in excess of 40 per cent are required to reduce their share to 40 per cent in stages to be negotiated with the Government.

This can be done by outright sale to Indian parties or a dilution of their equity through new capital issues in favour of Indian parties which would help finance the expansion of their Indian operations. This explains the increasing interest in export-oriented ventures which provide foreign companies in India an opportunity for expansion and much greater flexibility in the choice of industries. Expansion for non-export purposes would have to be towards foreign investors.

OUR SCOPE AND REACH ARE THE BIGGEST YOU CAN IMAGINE.

HMT reaches world buyers through its vast infrastructure of collaborators and agents.



HMT and KTM, U.K.
Kearney and Trecker Marwin, Brighton. A technical co-operation agreement entered into by HMT with this renowned machine tool manufacturer of the U.K. enables us to offer sophisticated machine tools tailored to the requirements of the British and European buyers.

This year we are poised for the introduction of the NC lathe to the British and - ultimately - European markets

HMT and Wickman, U.K.
HMT Minichucker - the versatile little machine with a big capacity for work - will be manufactured and marketed in the U.K. by Wickman. The Minichucker can stand up to the test in the European market on an equal footing, backed as it is by Wickman and HMT.

The HMT range - the world's widest.

TURNING:
High Precision Lathes, Heavy Duty Lathes and Production Lathes, Hexagonal and Drum Turret Lathes, Copying Lathes, Multi Tool Automatic Lathes, Single Spindle Bar and Chucking Automatics, Multi Spindle Bar and Chucking Automatics, Sliding Headstock Automatics, Chuckers, and Minichucker.

MILLING:
Knee type mechanically controlled Milling Machines, Knee type electrically controlled Milling

Machines, Turret Ram Type mechanically controlled Milling Machines, Bed Type Milling Machines.

DRILLING:
Radial Drills, Column Drills and Multi Spindle Drilling Machines.

GRINDING:
Cylindrical Grinders, Surface Grinders both Horizontal and Vertical, Internal Grinders, Centreless Grinders, Crankshaft Grinders and Tool and Cutter Grinders.

GEARING:
Gear Shaping Machines and Gear Hobbing Machines.

BORING:
Horizontal Boring Machines and Fine Boring Machines.

BROACHING:
Horizontal and Vertical Broaching Machines.

METAL FORMING:
Presses and Press Brakes - both Hydraulic and Mechanical.

MULTI-OPERATION:
Special Purpose Machines, Rotary and Linear transferlines, Facing and Centering Machines.

Numerical Control - the world's most advanced engineering technology - will soon be introduced into the machine tool industry in India by HMT.

hmt
HINDUSTAN MACHINE TOOLS LIMITED
26, Cunningham Road, Bangalore 560052, India.

Take the straight trade route to India and out of it.

STC

India's leading international trading house. Owned by the Government to provide it with the maximum resources in order to make its operations broad-based. Yet functioning in an autonomous capacity to ensure complete efficiency and quick decision making.

The STC Group comprises a holding company and various subsidiaries for specialized trade. With an annual trade turnover of about £ 300 million it exports over 3000 products and imports an equally long list of goods. When you buy from India through STC every product carries with it certain guarantees: observance of standards specified, delivery on schedule, competitive prices. When it comes to selling in India, no one is better placed to give you the kind of deal that ensures total satisfaction for both parties. STC's buying plans are prepared on a long term basis taking into account the long term needs of India. Through it you can not only find but hold on to your market in India on a stable basis. STC's network of 19 offices abroad have all major countries and markets covered. STC's full commercial services—anything and everything an international trading house is expected to do—

- negotiating
- contracting
- financing
- product and market development
- quality control
- pre-shipment testing and final shipment.

STC Group
 THE STATE TRADING CORPORATION OF INDIA LTD.
 THE CASHEW CORPORATION OF INDIA LTD.
 THE PROJECTS AND EQUIPMENT CORPORATION OF INDIA LTD.
 THE HANDICRAFTS AND HANDBOOKS EXPORTS CORPORATION OF INDIA LTD.

London Office: 37, Great Portland Street, London, W1N 5QQ
 Telex: 22712 ESTIC LDN
 Cable: ESTIC

OTHER OVERSEAS OFFICES:
 Bairut, Belgrade, Budapest
 Buenos Aires, Colombo, Oacca
 Oar-Es-Salaam, East Berlin, Frankfurt
 Kuwait, Laga, Moscow
 Nairobi, New York, Paris
 Prague, Singapore, Sydney

The State Trading Corporation of India Limited
 Chandralok, 36 Janpath, New Delhi-110001
 Telex: 2167, 2168, 2169 Cable: ESTIC

Economists set their targets with the aim of national self-reliance but the volatile international situation makes forecasting difficult

Price upheaval means a flexible fifth plan where even the priorities can change

by V. K. Narasimhan
 editor, Financial Express

India's planners, who have been engaged for more than 18 months in putting the final touches to the production targets and capital outlays for the fifth plan, have been grappling with grueling problems posed by internal inflation and the external payments crisis created by the soaring prices of West Asian oil.

Even before the ink was dry on the first draft of the fifth plan the Planning Commission discovered that most of its figures had to be revised in view of the sharp rise in prices since 1972-73, which was the basis for the original estimates.

Hardly before this revision could be completed, the further rise in prices in 1973-74 and the radically new situation created by the crippling rise in the cost of oil and fertilizer imports called for a fresh review of the cost of projects and the resources available.

Although the fifth plan period officially began on April 1 this year, the final shape of the plan is yet to be determined in view of the continual economic changes internally and internationally. There can perhaps be no fidelity regarding any targets and financial outlays. Flexibility in planning has become a necessity.

What is more, even the order of priorities cannot remain rigid in a dynamic situation. For instance, till recently the planners placed more emphasis on export promotion than on export substitution as the essential prerequisite of economic self-reliance. The oil and fertilizer crisis has compelled the Indian Government and the Planning Commission to accord high priority to export promotion in the fifth plan.

Luckily, the Indian economy's performance in the fourth five-year plan, which was so dismal in many other respects, has been most heartening regarding exports. The past two years of the fourth plan (1972-73 and 1973-74) witnessed a growth in India's exports at the rate of 22 per cent and 23 per cent respectively, raising the annual average rate for the plan period as a whole to 15 per cent, as against the original target of 7 per cent.

lets are leather and leather goods, engineering products, marine food products, iron ore and handicrafts. India's traditional exports such as tea, jute, spices, cotton textiles and cashew will doubtless continue to be exported in large quantities, but their growth potential is marginal.

It is expected, for instance, that export of engineering goods, whose share in 1972-73 and 1973-74 was only 7.7 per cent and 7.5 per cent of India's exports, is likely to grow at an annual rate of 25.2 per cent in the next five years and will attain the first rank, accounting for 11.7 per cent of the total in 1978-79. The value of the engineering goods exported will increase from Rs.1,950m in 1973-74 to Rs.2,500m in 1978-79.

Cotton textiles will rank second with a share of 10.1 per cent, reflecting an increase of 2 per cent over 1972-73. Jute products which headed the list of export items in 1972-73 with a share of 12.7 per cent, are expected to grow at an annual rate of 6 per cent, but will occupy the third rank in 1978-79 with a share of 7.9 per cent.

streamlining of industrial production to create larger surpluses for exports, an intensive promotional effort in potential markets, offers of appropriate incentives to exporters, provision of facilities for achieving the export targets will all be needed.

In the case of some products, restraints on internal consumption will be necessary to increase the volume of goods available for export. While among non-traditional items, India has to place the greatest reliance on engineering goods, it is recognized that the international market for these goods is highly competitive, though it is also blossoming out—from elaborate multi-purpose lathes to electric fans and domestic appliances.

The Engineering Export Promotion Council, under the dynamic leadership of Mr. Raunag Singh, has been active in the exploration of new markets for India's engineering goods.

Many organizations and agencies have been set up in the past few years to boost exports in general or to promote exports of specific commodities. There are as many as 17 export promotion councils concerned with exports of specific categories of products and the study of problems of export trade.

The Trade Development Authority has played a significant role in establishing links between Indian exporters and customers abroad and has been successful in securing new markets in Asia.

Western Europe and America for a wide range of non-traditional products such as ready-made garments, home furnishings, car ancillaries, electronics, processed food, bicycles and sports goods.

In the financing of export trade, apart from the role played by the commercial banks, valuable assistance is provided by the Export Credit Guarantee Corporation as well as the Industrial Development Bank of India. There are councils for cotton textiles, rayon textiles, rayon fabrics and allied products, handlooms, engineering products, leather and leather goods and others. In addition, there are a number of other bodies engaged in export promotion.

An experienced labour force

Besides fiscal incentive to exporters, various measures have been taken to provide finance for industries and traders engaged in exports. A Department of Export Production has recently been created within the Ministry of Commerce to deal with specific problems of industries engaged in production for exports.

In general, India has the infrastructure for embarking on a large-scale export drive, especially in areas in which it has special advantages either because of the availability of raw materials or an experienced and skilled labour force. India is in a particularly strong position to step up its exports to countries in Africa, the Middle East, and South-East Asia.

10 per cent annual growth rate

India's exports of iron ore and leather and leather goods will rank next, each accounting for more than 7.5 per cent of the total exports. The table illustrates the items in which India's exports are expected to achieve substantial increases. These higher targets will have to be attained both by securing higher prices for each unit of the product concerned and stepping up the quantum of exports.

The targets envisage an annual rate of growth of more than 10 per cent for a number of items—gems and jewelry, 18.8 per cent; oilcakes, 13.1 per cent; fish and fish preparations, 15.7 per cent; cotton textiles handloom, 19.3 per cent; rayon textiles, 21.5 per cent; handicrafts, 7.5 per cent; chemicals and allied products, 13.7 per cent; basic chemicals and pharmaceuticals, 13.3 per cent; silk, rayon and synthetic textiles, 13.3 per cent.

The achievement of these targets will not be an automatic process. Considerable efforts of organization,

Proposed export targets for the fifth plan period (figures in Rs m)

Item	Estimated exports in 1973-74	Draft plan targets
Tea	1,650	1,740
Fish and fish preparations	895	1,500
Oilcakes	1,560	730
Jute manufactures	2,228	2,400
Cotton textiles (mill-made)	2,378	2,250
Cotton textiles (handlooms)	600	-
Woolen textiles	1,807	-
Leather and leather manufactures	1,807	2,110
Chemicals and pharmaceuticals	1,908	1,030
Engineering goods	1,830	4,000
Iron ore	1,352	2,300
Gems and jewelry	1,050	1,500
Handicrafts	603	700

Higher charges for exports

Many factors have contributed to this striking performance, including the higher prices for Indian exports because of global inflation, the larger demand for some Indian products like jute manufactures stemming from the rise in prices of competing synthetic products, and the success of a series of export promotion measures taken by the Indian Government in recent years.

Indian exports in 1973-74 touched the record figure of Rs.24,100m in a year in which India's rate of industrial growth was below 1 per cent. The Planning Commission, in drawing up its export targets for the fifth five-year plan, does not want to be too ambitious.

In its first draft plan it had provided for exports going up to Rs.28,900m by 1978-79, but this figure has already been rendered unrealistic by the soaring costs of imported crude oil. These are likely to rise so much in the next five years that India would have to increase its export substantially to pay for its minimum requirements of oil and oil products alone.

In addition, there may be a heavy bill for imports of food grains, even if India succeeds in stepping up its output to 140 million tonnes by 1978-79, as envisaged by the planners. This year alone India expects to import two million to three million tonnes of food grains.

Not only that, but if India's proclaimed objective of self-reliance within the next five to 10 years—meaning by self-reliance the achievement of zero aid—is to be realized, it will have to finance its imports of oil, capital goods and raw materials entirely from its export earnings.

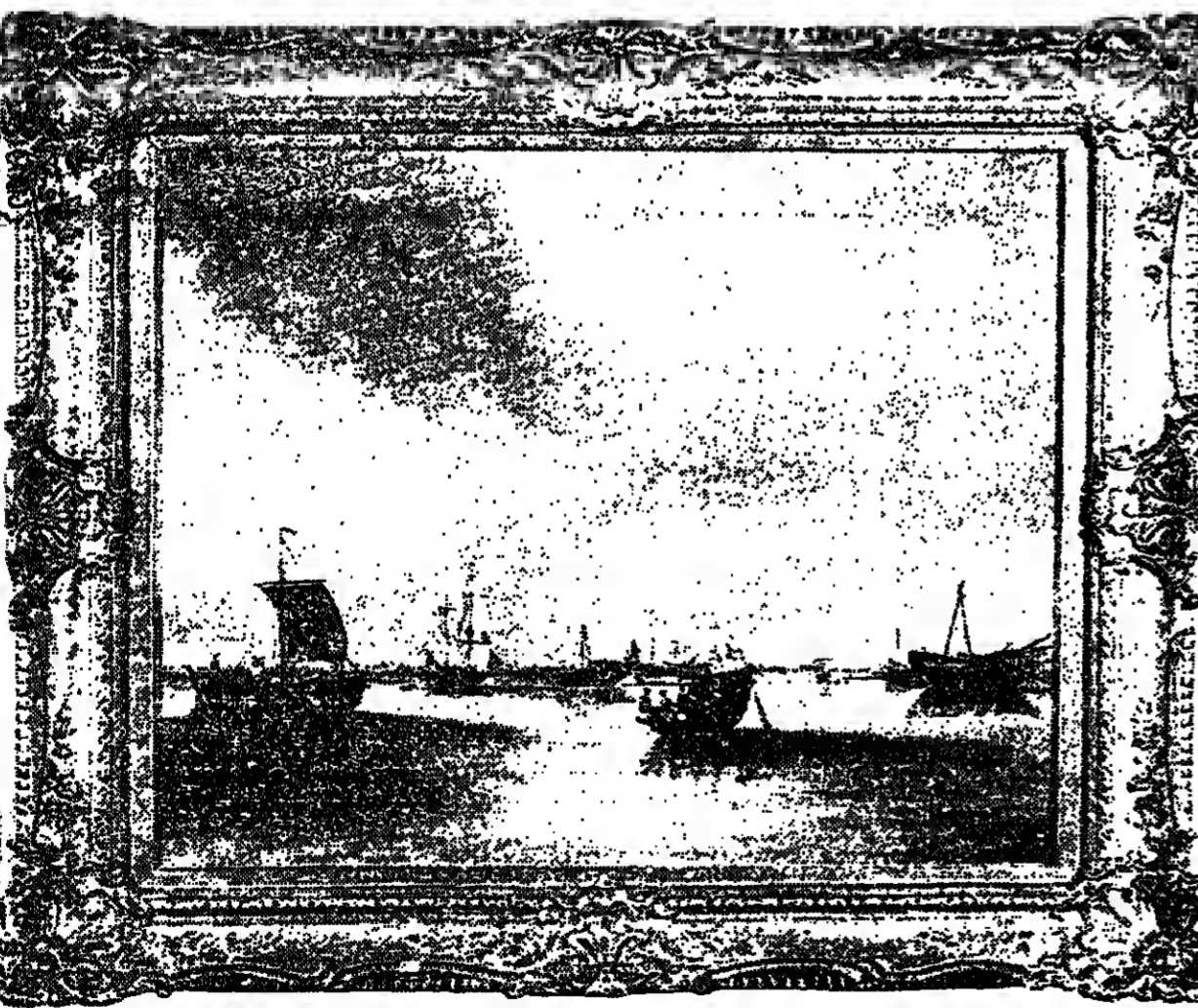
Interesting study by trade body

An interesting study by the Indian Institute of Foreign Trade, Delhi, has estimated that if India's import requirements in the next five years are realistically assessed, the country will have to plan to increase its exports to Rs.44,700m by 1978-79 compared with Rs.28,900m envisaged in the first draft of the fifth plan.

That this higher target calls for an annual growth rate of 12.8 per cent over the level of exports in 1973-74 may suggest that it would be difficult to achieve. Obviously export targets of this order cannot be realized unless the rate of industrial production is stepped up considerably and adequate export surpluses are generated in the sectors in which India can hope for a large export potential.

Judging by the performance of various export products in the past two years, the products for which India can expect larger export out-

More than a century of banking experience



George Chinnery painted this Calcutta river scene early in the last century—not long before the Mercantile Bank was founded in Bombay.

The Mercantile Bank of India and China commenced operations in Bombay in 1854. Today, Mercantile Bank Limited (now part of the Hongkong Bank Group) has 20 branches in India alone.

We are pleased to place our experience and services at the disposal of those interested in trade with India, Mauritius and the Far East. All enquiries are welcomed.

Mercantile Bank Limited

HEAD OFFICE: 1 Queen's Road Central, Hong Kong.
 BRANCHES: Hong Kong: 4 branches India: 20 branches Mauritius: 7 branches. Also Japan, and Thailand.

Indian Coffee
 is supreme for using straight or in blends



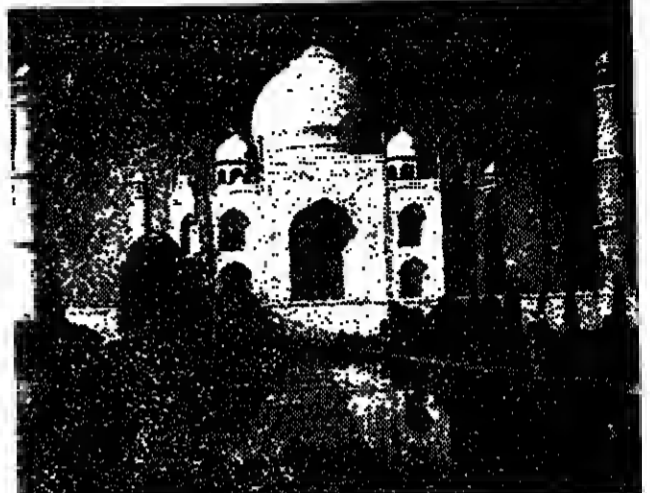
rich tradition
 rich coffee

rich blend of
 many cultures...



COFFEE BOARD, BANGALORE 560 001 INDIA.

Handwritten text in Urdu script: "کے لئے مناسب الاہل"



The faces of India that the tourist goes to see. Far left: panorama of buildings ancient and modern in Calcutta; a water carrier, above, and a snake-charmer, left, both in Bombay; right: the Taj Mahal at Agra.

India's undeveloped potential reflects both government policy and geographical constraints

London. India attracted a record 61,000 tourists in 1972, an increase of 10 per cent on 1971. This is a comment both on the high sub-continent and on the comparative underdevelopment of the Indian setting. The Government does not wish to see parts of India become like the Costa Brava, overwhelmed and disfigured by commercialization. Through the India Tourism Development Corporation, it is aiming to construct more five-star hotels in the main cities and some cottage-type accommodation on the coastlines and in the hill states. It is not too late to provide expensive facilities for package tour operations, which are handicapped in any case by the long flight from Europe or the United States.

In the Fourth Plan period, from April, 1969 to May, 1974, the ITDC is estimated to have spent about £20m on about 400 rooms in five-star hotels. Occupancy rates, particularly in the main centres of Delhi, Calcutta and Bombay, have been high.

The holiday cottage developments are principally on the south-west and south-east coasts. Goa, the former Portuguese colony, has a distinctive atmosphere, with a large number of Christian churches, and has been a favourite with those who have visited it. Kovalam Beach, at India's southernmost tip, will have a 200-room hotel shortly, while Mahabalipuram, a temple town near Madras, is also to be promoted.

The foothills of the Himalayas, which are cool in summer and served as a retreat for many officials and their families during the British period, are another priority area. The old hill-stations on the eastern side of the Himalayas, notably Darjeeling, have been closed to tourists for some years because of the danger of hostilities with China, but this restriction has recently been removed. Although the Vale of Kashmir and the town of Simla have been neglected, there are signs that this is changing.

These government efforts have been handicapped by the absence of an adequate infrastructure. A common complaint of travel agents is that Europeans, who account for over 40 per cent of the tourist traffic, expect to see all of India in a fortnight in the same way that they may try to see Italy or France in a week. But this is not possible because of the size of the country, with the distance from Delhi to Madras, for example, being greater than that from London to Rome.

But even short distances are in many cases not well served by transport. The railways are not really suitable for tourist traffic, and the road system is not high on the Government's agenda because of the increased price of oil. It takes 12 hours to travel by road from Bombay to Goa, and five or six hours to make the 100-mile journey from Delhi to Agra and the Taj Mahal.

Despite these difficulties tourism has grown steadily in the past 10 years. In 1960 the number of tourists was 123,000, less than a third of the 1973 total. Britain, which sent 27,000 tourists in 1967 and 59,000 in 1973, remains one of the most important markets for the Indian tourist industry, and has also been one of the fastest growing.

This growing business is particularly significant because it produces foreign exchange, much of it in currencies which are freely convertible. In 1973 foreign-exchange earnings from travellers amounted to nearly £40m, compared with less than £30m in 1972. Although this is much less than the £120m earned by the jute industry or the £100m earned from cotton textiles, it has a smaller import component. While textile machinery often has to be bought from abroad investment in hotels and infrastructure is spent entirely within India.

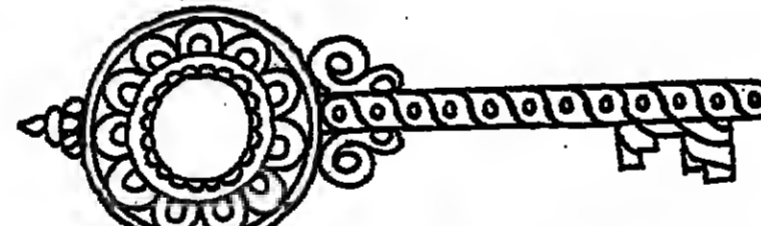
Prospects for further expansion are clearly good. Although India is not a cheap country—imported wines and spirits, for example, are expensive because of high duty—the hotels in the major cities, especially Bombay and New Delhi, are more than comfortable and reasonably priced. Whatever the drawbacks of surface transport, the air service between the principal towns is good.

India's problem is that its tourist trade tends to be of two sorts, high budget and low budget. The high budget tourist will not be discouraged by the air fare from Western countries or by hotel bills of more than £10 a day. But there is clearly only a small number of tourists potentially in this category.

The encouragement of low-budget tourists, on the other hand, has little to recommend it because, once in India, they do not spend much and consequently they do not contribute significantly to easing the shortage of foreign exchange. Nevertheless, a number of new youth hostels have been constructed recently, mainly in the northern half of India.

These efforts, combined with the immense tourist potential in India's heritage of ancient monuments and customs, should continue to make the sub-continent a major growth area for the tourist industry.

Help with the pictorial preparation of this Special Report was given by H. Cartier-Bresson, Mark Edwards, Margaret Murray.



HINDUSTAN LEVER OPENS THE DOOR TO THE BEST FROM INDIA

India is committed to exports. So is Hindustan Lever.

Therefore, we pledge to give you the very best. Our long and acknowledged skills in consumer and industrial products manufacture and marketing are yours—for the asking.

SCIENCE AND MANAGEMENT AT WORK

- **Research Centre, Bombay**
Our Research Centre is at your service to provide the excellence you want. We can even offer products not marketed by us in India. They will be manufactured just for you to your specifications.
- **Nationwide Procurement Service**
Fully equipped Branch Offices and Factories extend our procurement network to the remotest outpost in the sub-continent. A unique and unrivalled service.
- **Professional Management**
Our professional management team extend their talent, training and experience to meet the highest standards—be it in procurement, manufacture or marketing. We guarantee the Stamp of Quality.

WHATEVER YOU WANT, WHEREVER YOU WANT—RIGHT ON TIME

Hindustan Lever's Export Division is in the forefront of Indian Export Houses. Today it exports to all five continents.

- Our export expertise covers a wide and ever-increasing range:
 - Processed Oils and Fats
 - Soaps and Detergents
 - Toilet Preparations
 - Perfumery Chemicals
 - Industrial Chemicals
 - Animal Feeds
 - Essential Oils
 - Agricultural Commodities
 - Textiles
 - Engineering Goods

India's traditions of excellence and precision persist—in today's technologies, in today's industries, large and small. This is why so many countries of the world now buy in India.

Hindustan Lever Limited
Hindustan Lever House, 165/166 Backbay Reclamation, Bombay 400 020 India

Telephone: 296400 • Telex: 011-2323
Cable: 'LEVEXPORT', Bombay—India

MAKING BOTH ENDS MEET...

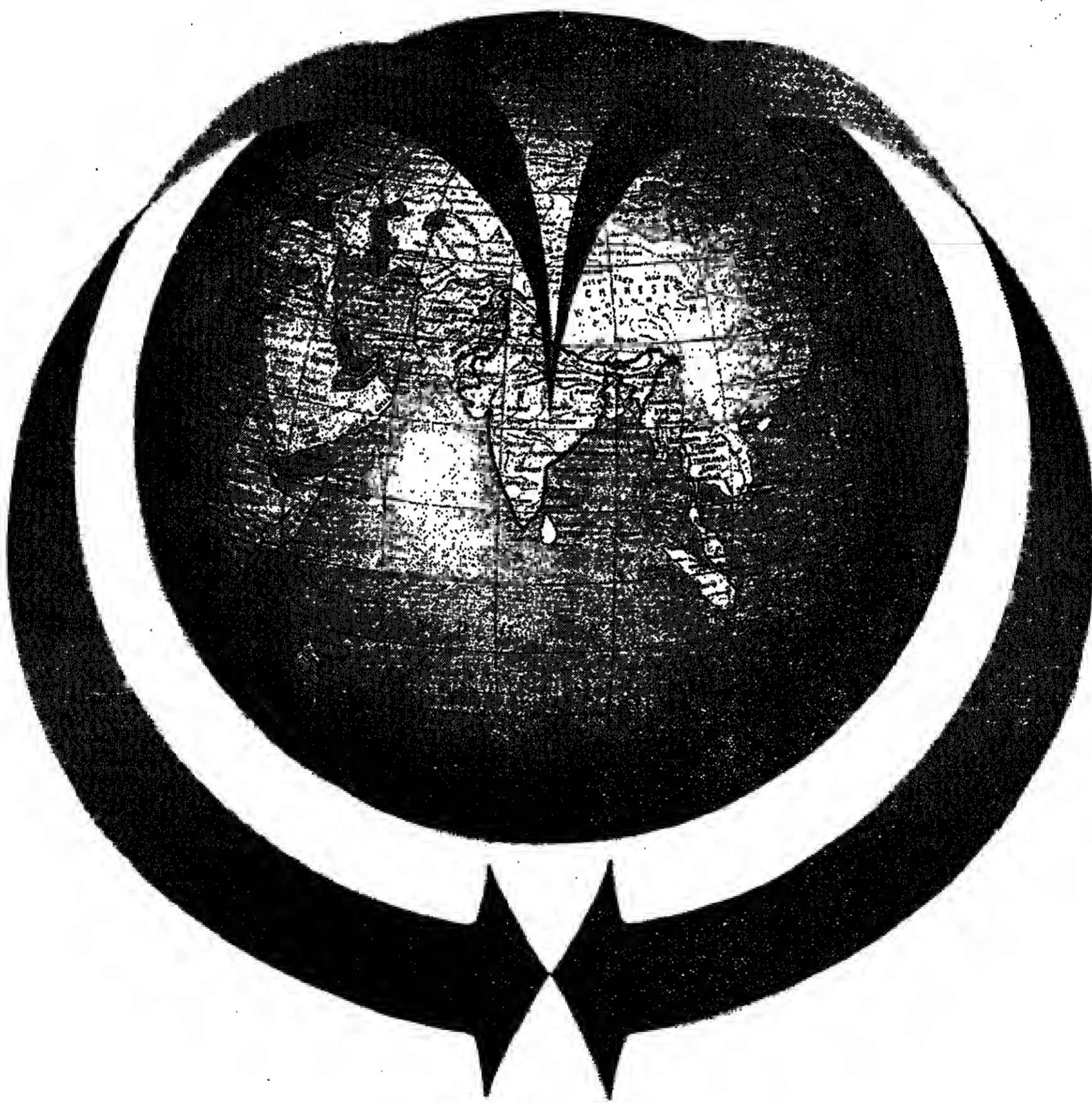
For many centuries, from the time of Alexander, India was a major shopping centre for most of the then known world. Spices, silks and the finest muslins, perfumes and fragrances and even high quality steel for the sharpest blades of Damascus came from India by camel and mule over the Khyber Pass and the legendary 'Silk Route'.

After a long lull, Indian industry has once again plunged into the hurricane of world trade with exports to all five continents. In this the Tata Companies have played a major role in promoting the sales of sophisticated Indian engineering and manufactured goods to growing numbers of foreign buyers. Thus has Tata steel gone to America, Tata trucks to Europe, Tata textiles and radios to Africa, tubes and press tools to Australia, and rails and railway equipment to Asian countries like Burma. Through its International Operations Division, VOLTAS has exported air

conditioning and refrigeration equipment, diamond core drills and drilling equipment and forklift trucks. It is preparing to offer castings and components for the machine tool industry.

The cutting edge of the Tata thrust abroad is Tata Exports Limited which has shown the fastest export growth rate for non-traditional sales to world markets. These include turnkey projects for engineering, supply and installation of transmission line towers, construction and materials handling equipment, fabricated steel, made-up textiles, chemicals and food products.

Tata Exports has combined the production capacities and industrial talents of the Tata Companies as well as of other reliable and quality-conscious Indian manufacturers to cut a high Indian profile in world markets. Tata Exports' activities have girdled the globe in both directions to enable India make both ends meet in international trade.



TATA ENTERPRISES

TATA IRON AND STEEL, TATA ENGINEERING, TATA ELECTRIC COMPANIES, TATA TEXTILES, TATA OIL MILLS, TATA CHEMICALS, VOLTAS, INDIAN HOTELS, TATA EXPORTS, TATA MCGRAW-HILL, TATA-FINLAY, INDIAN TUBE COMPANY, TATA LTD. (LONDON), TATA INC. (NEW YORK), TATA INTERNATIONAL (SWITZERLAND).

تاتا انڈیا

State Office
01-589 1
GOBHAM, SURRE
WIMBLEDON
GREENWICH
FISH FARMS
FRANCE, ITALY
WEST OF EUROPE
BENDORM. 162 beds
NICE, FRANCE

Causes of coolness between Dublin and London

In more cordial times, when the Northern Ireland Executive still flourished and the Council of Ireland still seemed a substantial if remote possibility, British ministers began to float the idea of a joint security conference involving the police and military authorities of both parts of Ireland. General Sir Frank King, the British Army GOC, it was said, would be able to sit down for the first time with his opposite numbers in the Garda and the Irish Army. Even after the executive fell Mr Stanley Orme, the Stormont Minister of State, was suggesting that such a meeting was on the cards.

In Dublin just now, however, the suggestion tends to evoke little more than an uncomfortable laugh around Leinster House. Civil servants tell you all a British idea anyway and that "just at the moment" such things are far from the minds of Irish ministers. Then they point out, ever so gently, that the Dublin Government really are not very happy with current British policy in the north, with the lack of information about it and most important of all with the behaviour of the British Army. The unpalatable truth is that relations between the two countries are at times something less than lukewarm and they are getting steadily cooler.

On several occasions, during the past few weeks, with no overt diplomatic fuss by either side, Mr Donal O'Sullivan, the Irish Ambassador in London, has informed the British Foreign Office of his Government's concern at the Army's activities in the north. However much truth there may be in the suspicion, the Irish believe that Mr Merlyn Rees, the Secretary of State, is being pressured by General King to continue internment without trial and the British troops have subsequently been given free rein in their search-and-arrest operations. Reports reaching the Irish Government have suggested to them that the British Army is once again alienating the Roman Catholic community by rough treatment and by interrogation methods which go some way beyond the question and answer technique.

Calls from the public complaining about the shooting

Things came to a head last week when Mr Patrick McElhone, a Catholic, was shot dead in Co Tyrone after being taken from his home by the Army.

A soldier has since been charged with Mr McElhone's murder and so the incident itself is sub-judice. In Dublin, however, one government department alone received over 100 calls from the Irish public complaining about the shooting which eventually prompted the authorities to send Mr O'Sullivan round to the Foreign Office once again, to draw British attention to Irish ministerial concern. Against some officials' better judgment, the coalition government chose not to make any public statement.

The authorities here are still pressing on with their plans for a system of extra-territorial

courts for Ireland, the only flesh still left over from the skeleton of the now defunct Sunningdale Agreement. Dr Garret FitzGerald, the Irish Foreign Minister, insists that the relevant legislation will be introduced in the next session of the Dail and the British hope to push the necessary laws through the House of Commons in the autumn. But even the chances of setting up the new court system, which would mean that an IRA man charged with murdering a British soldier could be arrested, tried and judged in the Republic, are thrown into some doubt by the continued distrust which the Irish feel over British intentions.

This has not been helped by a number of border incidents in recent weeks. A report has been sent to the Irish Government by the Garda, for example, on a small riot last month when British troops fired rubber bullets into Co Leitrim while trying to hock an unapproved route over the frontier. There has been other similar incidents while soldiers were trying to seal off roads which they believe were used by the IRA.

Unhappiness in Dublin towards British efforts

During a recent gun battle in Armagh, an Irish police car on the Republic side of the border had its windshield shattered by bullets. Regarding the shooting the British military authorities said they were not certain if IRA or British bullets had hit the Garda car, but the Irish police report says they were almost certainly British.

Relations between the Irish police and the British Army have never been over-friendly since a much earlier incident in Co Louth when British soldiers who had mistakenly chased some IRA men right into the Irish Republic, rounded on the two Irish policemen who turned up and according to both the Garda and the customs authorities—threatened to kill the police unless they walked away with their hands in the air.

This is just the background to the current unhappiness in Dublin towards British efforts in the north. Ministers here are asking more fundamental questions. Is Mr Rees really capable of understanding not only pressure from the army but from the "loyalists" too? His impotence when faced with the Protestant strike in May has now been compounded in the eyes of some Irish Cabinet members here by his apparent inability to deal with the frightening growth of the new and unofficial loyalist Home Guard in Ulster.

The Government's White Paper has been found to contain no firm guidelines for the future aside from vague assertions about the special relationships between north and south. The relationship itself is now being questioned quite seriously in Dublin and proposed conferences about security are not the least of the things in the melting pot.

Robert Fisk

How Britain could pay now to buy later

Concluding an assessment of Britain's economic future

'If we now begin to make a planned cut, we can escape with small irritations rather than a major disaster. If we accept bigger initial cutbacks to boost investment there will be more growth potential later'

As my first article on Tuesday showed, the arithmetic of Britain's terms of trade requires that we shift about 10 per cent of our consumption into exports, or reduced imports, or some combination of the two. The only alternative is to go on borrowing until our creditors lose confidence, call in their loans suddenly, and compel a much harsher adjustment.

Yet if we now begin to make a planned cut, we can escape with small irritations rather than major disaster. Such a switch of employed resources, away from hoarding our living standards and towards meeting our debts, is not a slump and does not require deflation. It can be phased, perhaps over two years, if initial cutbacks to boost investment, there will be more growth potential later and subsequent cutbacks can be smaller.

Nor must a fall in living standards mean consuming less of what we really need: a mean deferring replacements of cars or household goods, driving more slowly and consuming less petrol, working more, or doing without pseudo investments (really conspicuous public or company consumption) whose yields are too small or remote to meet present need—Chunnels, Corcorde, marinas.

Not only is a fair, gradual, planned and temporary 10 per cent cut in living standards a beneficial export or replace imports manageable. It would be well under way had not Mr Barber doubled the money supply during his term of office. It increased from September 1971 to December 1973 alone, at 24.6 per cent yearly, while output grew at about 4.2 per cent.

This discrepancy might have been mopped up by domestic price increases and a 20 per cent yearly, but controls held these back, while foreign loans kept the pound "strong" and imports artificially cheap and attractive. Hence much of the spare money went, and still goes, into imports despite their price increases. The money press is neither all powerful nor more than a small part of the modern economic armory; but handled by a Barber (surely he should change his name to Printer?) it can certainly produce an enormous crisis.

Wisely if too abruptly, Mr Healey has halted the money press; but plenty of his predecessor's money is still about. In July it helped to produce our second worst ever monthly payments deficit. Combined with the refusal of all parties to state the facts, it fuels false expectations of, and effective claims for, big rises in money incomes. These in turn buy imports or potential exports. To cover these with loans at 12 per cent up, guaranteed against devaluation, is intolerably costly—covering this year's deficit will increase the yearly outflow of interest from £450m to £900m, making recovery even harder. And what happens when somebody calls these short loans in?

In a short article I cannot give detailed arguments, but the general principles are clear. First, the 10 per cent of output, to go into balance of payments improvement, must not come at the expense of genuinely productive investment; a clear government commitment to a target level of investment expansion, backed by grants to the public sector and improved allowances for private investment, may well be needed, to create confidence that the money cut in living standards implies not a slump but a planned switch in resource use.

Second, careful and detailed micro-economic policies are required to ensure that (within the limits of our international obligations) the money cut in living standards implies not a slump but a planned switch in resource use. Second, careful and detailed micro-economic policies are required to ensure that (within the limits of our international obligations) the money cut in living standards implies not a slump but a planned switch in resource use.

Third, to avoid risks of a trade war, Britain needs to ensure that her balance of payments improvements are not at the cost of nations in serious balance of payments difficulties themselves. Fourth, a plan for phased recovery should be stated and monitored from the moment the cutbacks are announced, and still goes, into imports despite their price increases. The money press is neither all powerful nor more than a small part of the modern economic armory; but handled by a Barber (surely he should change his name to Printer?) it can certainly produce an enormous crisis.

less imports. The alternative is to ask where reduced consumption can free capacity for exports, and can directly save imports. The second question is easier. Oil imports are an obvious target. Why is British petrol much cheaper than almost anywhere else in Europe, though our payments problem is much worse? Scandalously, we have ended the 50mpb speed limit. We do almost nothing to save petrol by staggering working hours to reduce congestion, by making local authority improvement grants available for house insulation, or by almost any other means. In other areas of rapid import expansion, both consumption cuts and production rises could be induced by appropriate policies: subsidising farm investment rather than bread-eating (cereal imports trebled in value between the first quarters of 1972 and 1974, to a rate of £576m yearly); more emphasis on domestic substitutes for food and drink in the same period (the balance between public and private sectors here is a matter of political choice).

Where to cut consumption to make room for exports is a harder question to answer. Businessmen and politicians agree that British exports offer splendid value; customers seem to differ. Perhaps it is because, with particular goods aimed at a particular market, booming British demand ensures they

are not available for export at the right time and price. The cure has to be micro-policy, not general deflation of British demand for all products. We need to know, not just what we are consuming, but to whom; for, if a world trade war is to be avoided, it is essential that we solve our balance of payments problems socially, by selling to those who can safely buy. Our trade deficit with the main rich surplus countries—the United States, West Germany and the Netherlands—in April, 1974 was running at a yearly rate of £2,086m; with our major oil suppliers (mostly Kuwait, Bahrain, Qatar, the Emirates, Nigeria, Libya and Saudi Arabia) at £3,253m; and with the Soviet Union and Eastern Europe, at £334m. On these countries our export promotion, our import reduction, and our consumption-cutting for both purposes should be concentrated. The more of all three that can be done by international agreement, the better; but it is a world interest to agree. Otherwise the collapsing institutions that starts up in the 1970s—may be not a bank but the British economy, unable to meet its debts.

4. A phased plan for recovery. Talk of a 10 per cent cut in living standards seems a doom laden (though the alternative is far worse), partly because people confuse it with slump and unemployment, and partly because it seems so irrevocable. Actually it can be made up in three or four years if growth—less if we invest more in the early years. As soon as the necessary cuts and controls are announced, the Government should state—and date—its plans to restore them, and announce the subsequent publication of the proposed programme (the balance between public and private sectors here is a matter of political choice).

5. A fair division of the burdens. It looks as if the strong and greedy—some poor, many rich—will obtain real income increases this year. That means that others must cut their consumption by more yet the present Government has gone far to offer the trade unions real income redistribution, and in return has achieved at least

Congress may be content to retain separation of powers



involved than constitutional limits. The President is the leader of his party, but there is no party discipline. He cannot assume the loyalty of his own congressmen. In Mr Ford's case, of course, the leadership in both Houses is the Democrats, the opposing party.

All congressmen have their own concerns and priorities, which are not necessarily those of the President. The committee chairmen also have the power to delay and oppose legislation. Generally speaking, Congress can only be made to act against its own divided will and inertia by the pressure of consensus led or organized by the President. Apart from his war powers, this explains the immense authority which Mr Nixon abused.

Something must be done to redress the balance, but it will not be sufficient for President Ford to meet with congressional leaders regularly to keep them informed and sweet. Sooner or later there will be a clash of interests, and compromise could once again delay or gut a programme. Even though he has spent a quarter of a century in Congress, where he has many friends, Mr Ford will almost certainly be forced to seek the extra powers his predecessors found necessary.

The only alternative, as some see it, is major institutional reform. At present, the President nominates the members of his

Cabinet from outside Congress. If a congressman is not confirmed, he is obliged to resign his seat. One way is that in future all Cabinet should be congressmen would be allowed to resign.

Westminster inspired proposal, but it would necessarily resolve the dilemma. The power of the chairman would remain diminished unless their appointment was changed. Under Mr Ford, members of the Cabinet belong to the minority and the conduct of would remain in the hands of an opposing leadership.

Moreover, the proposal offend the constitutional notion of power, unless it be modified by constitutional amendment. This is unlikely. The American Constitution is not to be further amended by the future experience. If a between presidential and congressional powers had blurred, it is doubtful that Congress could have played its part in the Watergate investigation. They have to accept any discipline, it strengthened Congress's body.

This is President Ford's dilemma, and it may be insoluble.

Louis I. Brandeis

At work, home and play

put on a happy face

And enjoy the air you breathe

Fight fog with Vent-Axia

The ventilation your electrical dealer recommends

Nationwide service from offices in major cities.

The Times Diary

On the hunt for luscious lovelies

Whatever the bad news, there are always people hard at work trying to put a brighter and more glamorous face on things. To see what goes into it, my reporter went to watch the auditions for the Ziegfeld Follies, which are to be revived in London later this year. Sadly the scene at the Adelphi Theatre was suggestive of anything but the glamour that makes the name of the Follies is supposed to evoke.

A group of women in their twenties and thirties were lined up on ugly chairs in the grimy wings, waiting for their names to be called. Some wore too anxious to do anything but clutch their knees and look miserable. A few of them chatted together, comparing notes on unpleasant auditions.

That morning director David Toguri and angels Ian Trotter and Frank Kelly were looking for "New Ziegfeld girls" whose function it is to parade around in elaborate and expensive clothes for the show. The advertisement called for tall and intelligent girls. All were asked their height, but there was no further mention of intelligence.

Toguri shouted directions: "That's right Angle, just go to the black cloth at the back, walk down and give us a million dollar smile. That's beautiful sweetie. Tell me, how tall are you? Do you belong to Equity?"

Angie, in high red boots and a brief bikini, blinked over the footlights towards his disembodied voice in the darkened auditorium and said she had worked for Bluebell in Barcelona. "That's marvellous darling," chirruped Toguri.

By now, however, nobody likely were rushed through a few dance steps, the million dollar smile routine and then hustled

offstage. One of them, in tight-fits and fishnet stockings, said she came from a club. "She can go back there," mumbled Ian Trotter. He was inclined to acidity perhaps because he has half a million pounds invested in the show. No smile could quite match it.

Backstage, the few still waiting to appear looked even more anxious. "I think we're the ones who don't have to dance," said Kathy Arnold. "We're hoping we'll just have to float around gracefully."

Joy Rogers had just returned to London after 10 years in Las Vegas. "I was a dancer there until they changed the heights. And I've been a showgirl too. But the longer I'm in the business the more I hate auditions. I usually look as if I've never been on a stage in my life."

One girl came off stage with a broad smile instead of the usual wan grin. She said her name was Corintha and she had come for a laugh. "I don't want the job," she had worked for a photographer and been involved with fringe theatre but this was her first audition. As evidence of her insouciance she arrived in shorts instead of the tight-fits specified in the advertisement. "I think it's hilarious. There must be more to life than standing around in a pair of fishnet tights. It's so old-fashioned."

The last girl limped on stage. She had been asked to return to be looked over a second time, but meanwhile

had fallen downstairs and bruised a leg. She was advised to come back a week later. "Take an escalator," yelled McKay.

Politics afloat

Far from having heard quite enough about their political system for a long time, Americans are willing to pay to hear yet more. An American shipping line offering a one week "Inside Washington" cruise to Nassau and Bermuda this winter already has 400 customers.

Many retired businessmen and women, and they are paying up to \$626 to hear political notables such as Senator Hubert Humphrey, Pierre Salinger and William Safire, a former speechwriter for Nixon.

Watergate sparked off the idea for the cruise, and Nixon's resignation caused a sudden rush of bookings. The publicity around that event attracted attention to the cruise itself," said a spokesman cheerfully.

Those on board who have political ambitions of their own can pay an extra \$75 to attend seminars on "Running for the Presidency," "Living in the White House" and "Taxes". For those who want to get away from it all, on the other hand, the same company offers a world cruise during which passengers can go ashore in China to watch acupuncture

Marshall Sir Gerald Templer moved the microphone nearer his wife's mouth, to no avail. The mike was not working.

One of the main reasons for the expedition—which will be manned by 140 soldiers and scientists from many parts of the world—is to find a cure for river blindness which affects 20 million Africans.

Baker, who was going in the three boats with 40 of the men, said yesterday that she was looking forward to getting back to the wilds, though she was not enthusiastic about having to pay £250 for the privilege. "I'm looking for a sponsor," she said. "If I could find one I'd have his name tattooed across my chest."

Our hamburger survey, which will continue tomorrow, underpriced the British Wimpy. The standard model costs 18p, not 19p, and whatever Norman Kolpas thought of the taste, Wimpy in London guarantee that it is a pure beef product with no cereal fillings.

Launch

Yesterday, looking not a little uneasy, Lady Templer stood upon a pontoon moored to HMS Belfast and launched one of the three inflatable craft that will slide, bob and bubble down the Zaire River and its uncharted rapids in September. It was an unorthodox launching.

For one thing, Lady Templer was not able to break the bottle over the bows of the craft because it did not have bows and was made of a sort of rubber. Instead she poured the champagne over the boat.

Another difficulty was that nobody could hear what Lady Templer was saying, not even the Royal Marine buglers who were standing two smart steps from her and who marked the launching with tasteful blasts from E-flat trumpets. Field

perhaps later this year, there are no medium wave transmitters in west Scotland, and about 4,750 people are aged 37 years or more with eyesight unsuitable for driving.

There is little love between Communism and Gaelic. The Gaelic language organizations in Scotland are aggrieved at BBC Scotland's recent decision to move their Gaelic broadcasts to VHF instead of the Radio 4 medium wave. Commun na Canainn, a Scottish Language Society modelled on the Welsh example, claims that most wireless sets in the Glasgow area receive VHF, and that many thousands of Gaelic speakers have thus been deprived of their programmes.

The BBC say that the change, instituted at three weeks' notice earlier this year, is in preparation for an expansion of the Gaelic service when a new studio base opens in Inverness.

DRUNKS

Some people will say it is a preliminary to the jumping of windows, but the significance of the "drunken cruise" in inquiries into potential officers to the end of the year.

Some people will say it is a preliminary to the jumping of windows, but the significance of the "drunken cruise" in inquiries into potential officers to the end of the year.

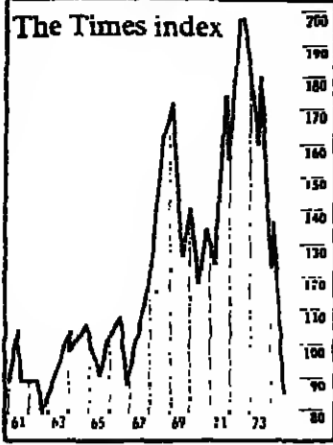
THE TIMES BUSINESS NEWS

FINLAN Designers and constructors of industrial and commercial buildings.

MR RINGWINING A NEW WAREHOUSE? ATCOST STRUCTURAL FRAME COST INDUSTRIAL DIVISION

Unilever's second quarter profits fall sparks fresh setback in share prices

Unilever's second quarter profits fell to £64m from £74m in the first quarter, sparking a fresh setback in the group's share prices.



The Times index rose 10.1 points to 2143.3, a point since the index was first hit by the oil price rise.

Unilever's second quarter profits fell to £64m from £74m in the first quarter, sparking a fresh setback in the group's share prices.

France has second worst deficit of year

France has had a seasonally-adjusted foreign trading deficit amounting to 3,013m francs (more than £250m) in July, according to figures issued today by the Ministry of Economics.

Lower tender from France gains order for Occidental oil platform

The contract has been placed by the Occidental Group, the operating company for the Piper field off the north coast of Scotland.

The structure will involve about 15,000 tonnes of high quality steel. A Department of Energy spokesman said last night: "We have obviously been aware of the negotiations between Occidental and UIE and indeed there have been discussions between the two of them and this department."

Car industry exports may top imports by £1,000m

Exports by Britain's motor industry could top imports by nearly £1,000m this year, according to the latest forecasts.

Ashbourne triumph over takeover panel

The consortium of companies headed by Crest International Securities has finally agreed to comply with last night's takeover panel decision.

The takeover panel has recommended that the consortium should be allowed to acquire Ashbourne Industries.

Sunley cool over Eagle Star's move

Eagle Star Insurance, which withdrew its offer for Bernard Sunley Investment Trust and Grovewood Securities earlier this year after a reference to the Monopolies Commission, has told Sunley that it wishes to formulate new offer proposals.

The Sunley directors have however decided that "no offer is likely to be acceptable until the present uncertainty in the property market has been clarified."

OPEC meeting aims to keep prices up

Attempts to coordinate pricing and sales strategies in order to maintain the present high oil prices will be made today when representatives of the national oil companies of the Organisation of Petroleum Exporting Countries meet in London.

Warning on oil hopes borrowing

Britain should think carefully before borrowing to finance oil exploration in the North Sea, Dr. W. M. Corden and Mr. Peter Oppenheimer, two Oxford economists, say in a paper published yesterday.

Keyser Ullmann puts £2m into Grendon Trust

Loss-making Grendon Trust has received a £2m cash injection from Keyser Ullmann, the merchant bank which assumed management control earlier this year.

DAGGAFONTEIN MINES LIMITED

Interim Report for the half-year ended 30th June, 1974. Financial results table showing revenue, expenses, and profit.

Administrative and Technical Advisers and Secretaries Anglo American Corporation of South Africa Limited. 44 Main Street, Johannesburg, 2001.

Ford 'no change' spurs 16-point Wall St drop

Increased government productivity by reviewing all regulatory activities, purchasing practices, and allocation and price support programmes.

How the markets moved. Rises: Broken Mines 15p to 26.5p, Blyvoors 25p to 88p, Cons Gold Flds 13p to 21.2p.

8,500 are laid off in disputes at British Leyland

More than 8,500 British Leyland workers were still laid off yesterday because of continuing labour disputes affecting four plants.

The Pound

Table showing exchange rates for various currencies including Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hongkong, Italy, Japan, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and Yugoslavia.

SOUTHVAAL HOLDINGS LIMITED

Interim Report for the half-year ended 30th June, 1974. Financial results table showing revenue, expenses, and profit.

\$500m loan to World Bank from Venezuela

By Frank Vogl Washington, Aug 14 Venezuela has lent \$500m (about £212m) to the World Bank...

Builders' federation says prices code continuation is 'ludicrous'

By Malcolm Brown Housebuilding leaders yesterday urged the Government to end the price code...

which have led to the slowdown. The results, which will be collated and analysed early next month...

Fisons seals drug venture with Diagnostic

Diagnostic Data said in Mountain View, California, yesterday that it had concluded an agreement with Fisons of Britain...

Finance Act special edition on sale A special edition of the Finance Act 1974 is to be published by the Institute of Chartered Accountants...

LETTERS TO THE EDITOR

Technological achievement of Concord and Olympus engine needs full backing

From Air Commodore Sir Frank Whittle Sir, During a visit to the Rolls-Royce Bristol engine division last week I had an opportunity of bringing myself up to date on a number of matters...

as a gas generator for driving a conventional electric generator via a power turbine. A single Olympus of today, so adapted, would produce about 70,000 hp...

Union claims lockout on Wearside

By Roald Kershaw Northern Industrial Correspondent Shop stewards representing 1,500 members of the Associated Society of Boiler-makers...

Tesco hoping to build London hypermarket

By Patricia Tisdall A second attempt is being made by the Tesco grocery store group to provide London with its first hypermarket. A planning application is being submitted to the Hounslow district local authority...

The land is derelict, used for temporary warehousing and rubbish tipping although ultimately designated for development as a linear park.

The increasing volume of money going into development aid from oil-producing countries, has been expected by senior United States administration economists experts.

US coal to gas scheme being tried in Scotland

New York, Aug 14.—A coal-gasification project in Scotland financed by a group of United States concerns has begun delivering gas made from coal to several thousand Scottish families on a test basis.

The dispute has arisen over the rejection of a £7 a week claim by boiler-makers. The walkout occurred after the management sent home a number of boiler-makers for refusing to work normally.

Short Brothers gets American order for planes

Belfast's Short Brothers and Harland announced yesterday the first sale of its new 30-passenger commuter aircraft, the SD3-30. The sale, to Command Airways of New York, comes on the eve of the aircraft's maiden flight.

Levy by road hauliers to fight nationalization threat

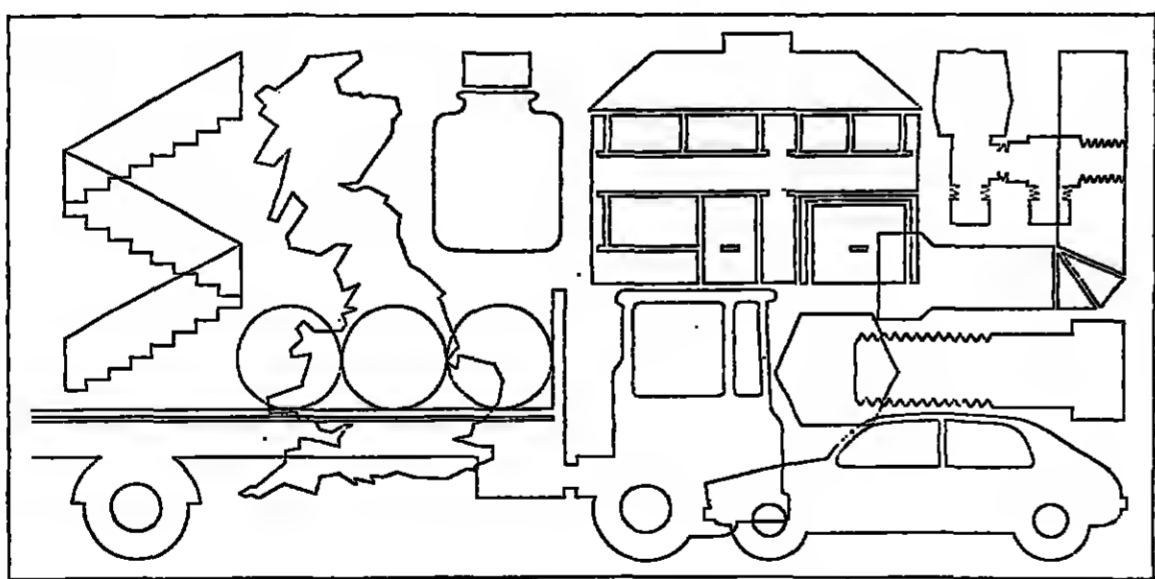
By Edward Townsend Britain's road hauliers have been waiting apprehensively for today's Government White Paper on industrial policy which is expected to name the industry as a candidate for further state ownership.

Facts of CBI industrial trends survey

From Mr R. H. Price Sir, On August 8 your columns carried letters from Mr W. J. E. Levy commending on the interpretation of the results of the July CBI industrial trends survey. It was suggested that this was unduly pessimistic.

Glynwed Limited Interim Statement

52 weeks ending 28th December, 1974



Trading Results

Group profit before taxation for the first six months of 1974 shows an increase of £2.1m (34%) over the same period of 1973. Turnover rose by £27m (33%) of which approximately £5m (6%) was due to the increase in the world price of copper.

The unaudited results of the Group for the 26 weeks ended 29th June, 1974 together with the published figures for the corresponding period of the previous year and the final audited figures for the 52 weeks ended 28th December, 1973 are summarised below:-

Table with 3 columns: 1974, 1973, 1973. Rows include Turnover of the Group, Group Trading Profit, Dividend, etc.

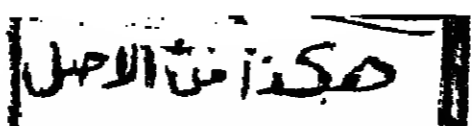
Ordinary Dividends and Prospects

The Directors have declared an Interim Dividend for the 52 weeks ending 28th December, 1974 of 2.45p per share (1973 2.45p) payable on 27th December, 1974 to ordinary shareholders on the Register at close of business on 8th September, 1974.

U.K. Taxation on the profits of the 26 weeks ended 29th June, 1974 has been estimated on the basis of 52% Corporation Tax (1973 40% on profits to 31st March, 1973 and thereafter at a rate of 50%). Overseas Taxation has been estimated at the appropriate rate.

GLYNWED

Dudley Road West, Tivdala, Werlly, West Midlands, B69 2PH.



Business appointments Charles Clifford makes Mr Park life president

Mr Robert Park has been appointed life president of Charles Clifford Industries. Mr Eric Bell has been appointed chairman of the company and its subsidiaries.

ANGLO-AMERICAN SECURITIES CORPORATION LIMITED Interim Statement

Table with 3 columns: Year ended 15th Jan, Six mths ended 15th July, Six mths ended 15th Jan. Rows include Income from Investments, Net Revenue after taxation, etc.

THE NOTTINGHAM MANUFACTURING COMPANY, LIMITED INTERIM REPORT for the six months ended 30th June, 1974

Table with 3 columns: 6 months 1974, 6 months 1973, Year 1973. Rows include Profit before taxation, Profit on trading, Interest receivable and income from Quoted Investments, etc.

BY THE FINANCIAL EDITOR

An over-reaction to Unilever's setback

Unilever and Carrington are unlikely to see a hurry on the strength of the right words of optimistic interim statement...

A drop from £5.3m to £4.5m pre-tax was not itself far down on expectations. Carrington reckons that the three-day week and the two-week disruption in Northern Ireland during May...

that Eagle Star would still like to renew its offer for Sunley. £5 told the commission that its investment performance had surprised that of the insurance market as a whole...

Oil prices have gone back a whisker of their all-time high, with factors like droughts in crop areas...

With second quarter profits within a whisker of the £5.1m for the first three months and with the forecast that earnings for the full will be doubled the interim 18.9p...

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

Ulramar Profits hold up well

Ulramar's profit holding up well. Demand for oil products has continued to ease on the back of the high prices...

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

Nottingham Mfg Unanswered questions

Without Sears' offer of 64p a share, dropped last month after the reference to the Monopolies Commission, Nottingham Manufacturing has drifted back to 35p...

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

Bernard Sunley Eagle Star's rights issue?

Back in November when Eagle Star first announced its simultaneous offers for Bernard Sunley Investment Trust and Grovewood Securities...

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

ton Viyella dividend

the severity of the market - Carrington figures Carrington did help the position unchanged gross interest. And it is profitable thinking to expect a rebound for a share about whose 1974 analysts are becoming apprehensive.

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

interim 18.9p (1973) Capitalisation £43.7m Sales £98.5m (£89.8m) Pre-tax profits £4.5m (£5.3m) Dividend gross 0.75p (0.75p)

Why Britain is wrong to borrow on its North Sea assets

David Blake discusses the misguided policy of foreign loans to pay for consumption

The oil deficit burst upon the western world last autumn, when Arab countries suddenly announced that they were going to increase the price of oil sold to the West and cut down on their production.

deficit from one country to another, and that because of this the West should try to ensure that there is no competition for the oil which leads its member states into a world recession. Instead, countries should borrow to cover the oil part of their deficits.

What is happening is that resources are being transferred from western countries, which have in the past tended to consume a high proportion of their income, to the Arabs, who can do little with their money other than save it.

Since the day the Arabs announced their price rise, the countries of the industrialized West have been trying to come to grips with the problems which it poses for them. Some of the problems are intellectual; it took a long time for the fact that a big rise in prices can be deflationary, not inflationary to sink in.

At least part of the conventional wisdom is accepted by the authors. They agree that imposing higher prices for oil in the Arab world has cut down on their spending power in other fields in very much the same way that a government cuts down on spending when it puts up taxes.

Business Diary: Triumph of the British bun • Gilt-edged gain

hea and Geoffrey together by accident. So well, they should mince about old the thing that started hamburger.

Workers in 1934. The director in charge of the project is Anthony Hill, whose father owned the original works 40 years ago.

For the moment, the beef specifications can be met with British beef, but the onions have to come from one area of California, the cheese from West Germany, the fish from Denmark, and the potatoes from Canada.

Not only the builders but the architects and quantity surveyors are all the same people who put up the original premises. In fact, the only thing that is different is the price: £170,000 for an extra floor compared with £16,500 for an entire building in 1934.

If Rhee were asked for his favourite prayer, it might be that there is no dock strike this winter. In the meantime, Business Diary's Ross Davies can reveal, British buoys will be allowed to consort with the McDonald beef.

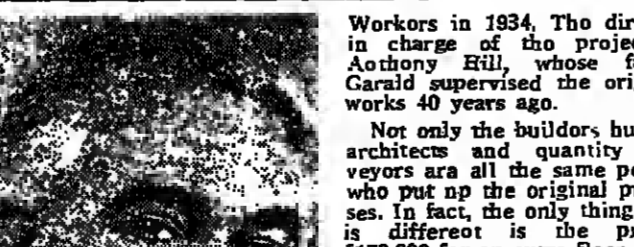
Hardly surprising, really, when one considers what union organization has done for building workers' wages these past four decades. In 1934 the standard hourly rate for a skilled craftsman, be he bricklayer, plasterer or whatever, was 1s 5d, and he worked a basic 44-hour week.

A deal has been done with Hawley's, a Birmingham baker, which involves co-ordinating between top businessmen from the Midlands firm and the McDonalds' buns.

Do-it-yourself has its limits. A stockbroker has now received a card from his dentist. It said: "You failed to keep your dental appointment today. Would you please either let us know whether you wish to complete your treatment or contact us for another appointment."

one of the operational problems with hamburger that only ingested, beef, ore than 90 seconds' (at peak times), cheap than 50p) and can't survive.

the original headquarter of the job are Higgs and Hill, who put up the original headquarters for what was then the Amalgamated Union of Building Trade



Wadc and Rhea: hoping their ships come home. some tasty morsel, it's been left to last—possibly because property prices here are more expensive than anywhere else in McDonald-land.

Going up

Spiralling costs in the construction industry hit everyone, even the unions who negotiate the increases which raise the wages which put up the pay bill which increases the costs which put up the price.

Fair return

For the second day running the gilt market yesterday contemplated the remarkable spectacle of a riskless Government stock giving a higher yield than its price.

Shopping by computer

At Biba's store in Kensington High Street, London, the electronic system reflects the need for rapidly available information on a whole-store basis.

used for management information. In many thousands of those terminals are in use in stores in the United States, where they have been introduced by the major chains over the past few years.

next step will be to reshape shopping habits of the public. There is no technical reason, the research report mentioned earlier points out, why today's information in which all or most of the goods to stock are held on the shelves could not be replaced by one in which all the shopper sees is a single example of each item.

There are several developments which, used singly or collectively, could completely alter the economics of shopping from home and make it far more attractive than it ever was.

On entering the store the shopper would be provided with a card, electronically coded with his own individual identity number, which he or she would insert in the slot alongside each item to be purchased.

Whatever the timescale may prove to be, the introduction of the new electronics into stores and stockrooms in Britain will have a profound effect on shopping habits. And, it is suggested, it also will strengthen the position of the large multiples unless the small retailer learns to make use of the electronic tills.

Input can be by the assistant keying in details of the transaction, often following step-by-step instructions displayed by the terminal; or by the use of magnetic wands, light pens or laser scanners which automatically register coded information on price tags.

Next, the shopper would press a button indicating the number or weight of the item required. This information would be recorded on the store's minicomputer and the appropriate quantity would be drawn out of the store's main storage area and bagged ready for the customer.

Finally the customer would insert his or her card into a slot at the checkout. All the purchases would be totalled, paid for, and released to the customer.

Point-of-sale systems are becoming big business on the continent of Europe. Last autumn Singer announced a £3m order for some 2,000 terminals and over 30 computers for the Nouvelles Galeries group.

In Britain, two department stores last year claimed "firsts" in electronic systems. In April, the new Bentalls store at Bracknell (using NCR equipment) claimed to be "the first department store in the United Kingdom to use point-of-sale electronic retail terminals throughout the store."

Kenneth Owen

Carrington Viyella Ltd logo and company name.

INTERIM STATEMENT

Table showing financial results for the Group for the six months to 30th June, 1974, with columns for 1974 and 1973.

1. The Company entered 1974 with full order books and a planned high level of activity, with good prospects of largely offsetting increasing costs of raw materials, wages and services by further increases in productivity.

Table showing dividend information for the first three months of 1973 paid on the previous gross basis, with columns for 1974 and 1973.

FINANCIAL NEWS

Buoyant £3.3m at Reardon Smith with strong second lap indicated

By Tony May
Going from a loss of £550,000 to a profit of £3.8m last year Reardon Smith Line made an impressive recovery and the first six months of the current term also shows a "considerable improvement".

man, comments that these estimated interim figures confirm the optimistic tone of his recent statement. The company's fleet is covered by many forward contracts for the rest of the year, and the board is confident of achieving satisfactory results for the second half.

the bulk of the allowable total, 3.43p gross, against 2.5p, at the end of the year. However, if restrictions are eased or removed, the directors will consider the payment of a still higher dividend, which would be fully justified by the results, and financial position.



Mr. J. E. Head, chairman of Brammer: wider and stronger investment base.

Brammer well on way to target of £2m

H. Brammer, makers of transmission belting and distributors of bearings, look to be well on the way towards achieving their target of taking a "long stride" towards profits of £2m this time.

Big interim leap by Black & Edgington

Now relying less on its seasonal camping business Black & Edgington return interim profits up 86 per cent to £779,000 pre-tax out of turnover expanded 65 per cent to £10.6m.

higher interest rates, but looking ahead, strong order books and an enlarged production capacity support a projected turnover of £7.5m.

Heywood Wms hold steady

In the face of a heavy increase in interest charges, the three-day week and a reduced contribution from South Africa, Heywood Williams' makers of metal windows and other building products, maintained profits last term. But to conserve resources the dividend is cut from 5p to 2.5p.

After interest up from £218,000 to £415,000 the pre-tax came out £1,000 higher at £502,000 and was earned from turnover expanded from £11.8m to £13.7m. At halfway profits had been 19 per cent down, but over the final six months there was a 15 per cent advance.

Marshall Morgan

Following up last year's jump in taxable profits from £467,000 to £558,000, Marshall Morgan & Scott has boosted its interim profits from £320,000 to £105,000. An attributable profit up from £42,000 to £50,000, the dividend is being raised from 1p to 1.05p.

Lambert Howarth

Although costs continue to rise steeply, the board of the Lambert Howarth Group of shoe and slipper makers hopes to at least maintain its turnover rate in the second half, which points to a "satisfactory" full year.

General Engineering

Turnover of General Engineering (Radcliffe) has reached £5.4m with a rise of £1m, and taxable profits are the best for some time at £307,000, against £119,000.

Midterm profits doubled at Reed & Smith

Reflecting the buoyant state of the paper market and current reorganization, Reed & Smith, the Devon-based group, more than doubled profits from £323,000 to £714,000 pre-tax in the half to June 30. For comparison purposes the 1973 figure has been adjusted to include all companies now in the group.

Tax takes £392,000 (£165,000) but after adding back a surplus on the disposal of property and investments, the attributable comes out at £358,000, against £191,000.

'Outstanding' result by Capitol-EMI

Restated to comply with United Kingdom accounting, the results of Capitol Industries-EMI, the United States subsidiary of EMI Ltd, show that profits before tax soared 63 per cent to £17.35m (£7.23m) for its last term to June 30.

Out of interim sales increased 64 per cent to £8m the pre-tax after interest grew 82 per cent to £959,000 and the dividend goes up from 2p to 2.05p. Before interest paid of £98,000 (£5,000 received) trading profit was more than doubled to £1.05m.

Sandeman seeks to buy out preference shares

Geo. C. Sandeman, the port, sherry and brandy shipper, is planning to buy out its 426,016 3½ per cent preference shares as a prelude to increasing its borrowing powers.

The problems that can arise when companies with preference shareholders wish to increase their borrowing powers became evident earlier this year when proposals put forward by Alfred Herbert came close to being blocked by its largest preference shareholder, John James.

Allied Insulators surge

In spite of costs rising at an unprecedented rate and restrictions on production, Allied Insulators report a big leap in profits at interim time, which at £313,000 pre-tax shows a surge of some 200 per cent over the same period. Turnover rose from £2.71m to £3.36m.

Inchcape profit more than doubled; continuing prosperity from diverse and world-wide activities.

Extracts from the Statement of the Chairman, The Rt. Hon. The Earl of Inchcape

Profit before taxation increased from £14,923,000 to £30,103,000; profit available to ordinary shareholders increased from £7,463,000 to £13,875,000. The ordinary dividend has to be restricted under the Government's Counter-Inflation Order to 9.555 pence gross per share.

In the current economic climate it would be unreasonable to expect the Group to achieve the same rate of growth this year as last, but in spite of the world-wide effects of the energy crisis, high rates of interest and fluctuations in commodity markets, the Group continues to prosper from its diverse activities in widely spread areas.

Salient features of year's results

Table comparing 1974 and 1973 results for Profit before Taxation, Earnings per Ordinary Share, Dividends per Ordinary Share, Ordinary Shareholders Capital Employed, and Return on Ordinary Shareholders Capital Employed.

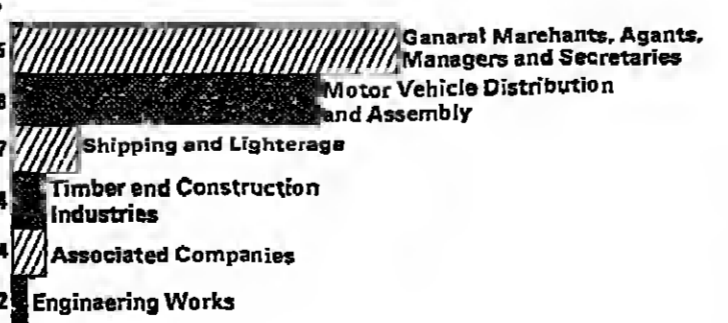
Where income was earned

Chart shows approximately the sources of taxed income attributable to Shareholders and Loan Stockholders.



Profit by activity

The contribution to Group profit before tax and loan stock interest.



Inchcape & Co. Limited logo and name.

The Annual General Meeting will be held at 12.15 p.m. on Friday 6th September, 1974 at the Queen's Rooms, Baltic Exchange Chambers, 14-20 St. Mary Axe, London E.C.3.

Issues & Loans

Zeljczara Sisak (MRKS) Yugoslav steel producer... The 10-year loan, which will be guaranteed by United Bank Zagreb, will finance part of a major coke plant.

Brands loan for Yugoslavs

Brands has signed a DM87.5m (£15m) loan agreement with Metalurgijski Kombinats Eurobond prices (midday indicators)

Table listing Eurobond prices for various countries and companies, including Argentina, Australia, Canada, etc.

Wall Street

New York, Aug. 14.—New fighting in Cyprus and the old problems of inflation dragged Wall Street down to its lowest level today in about four years.

NY silver treasuries

Table showing market activity for Silver, Treasury bills, and other financial instruments.

Econa higher

Slowing down the halfway point Econa, sanitary engineers, nevertheless improved taxable profits 51 per cent to a record £404,000 last time. Sales grew from £3.5m to £4.3m.

Rbt Stigwood reverse

Though pre-tax profit of Robert Stigwood Group dropped sharply after six months, £552,000 to £388,000 pre-tax, the full-time return is expected to match last year's £1.32m.

BURTONWOOD BREWERY COMPANY (FORSHAW'S)

The Twenty-fourth Annual General Meeting of Burton Brewery Company (Forshaw's) Limited was held on 14th August 1974 at Burtonwood, Cheshire. MR. RICHARD I. GILCHRIST, V.R.D., the Chairman, Presiding. The following is his report circulated with the report and accounts for the year March 31, 1974:—

FINANCIAL NEWS AND MARKET REPORTS

Bank markets
Mining clips £1,300m off shares

Stock market yesterday...
Closing account of Britain's...
Mining clips £1,300m off shares...

Disillers (871p) were unsupported...
BP (308p) and Shell (170p) were also easier...

Disclosure of a substantial...
profits at Unilever...
City hopes of improve-...
ment a severe blow to...

Latest dividends

Table with columns: Company, Dividend, Yield, etc. listing dividends for various companies like BP, Shell, etc.

Foreign Exchange
Sterling and dollar weaker

Foreign exchanges were less active yesterday...
Sterling and dollar weaker against the European currencies...

Difficult day for discount houses

In the discount market yesterday...
houses were again subjected to changes of view by the authorities...

Commodities
Sugar futures fall by £10

SUGAR, after lunch, initially held steady...
but later reacted sharply lower as buyers withdrew under a wave of profit-taking...

The Times Share Indices

Table showing share indices for various sectors like Industrial, Retail, etc.

Spot Position of Sterling

Table showing spot position for various currencies like New York, London, etc.

Forward Levels

Table showing forward levels for various currencies like New York, London, etc.

Mining

Improved interim performance Palabora

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Palabora shares were supported by...
the good interim performance...

Authorized Units, Insurance & Offshore Funds

Large table listing various authorized units, insurance, and offshore funds with their respective values and performance.

Money Market Rates

Table showing money market rates for various instruments like Treasury bills, etc.

Recent Issues

Table listing recent issues of various companies and their terms.

Eurosyndicat

The Eurosyndicat index of European share prices was...
down 124.05 on August 13 against 124.25 adjusted a week earlier.



The Directors of Unilever announce the estimated results for the second quarter of 1974 and for the first half-year.

As has been our practice the results for the quarter end the half-year and the comparative figures for 1973 have been calculated at comparable rates of exchange being based on £1=Fl.65=US\$ 2.32...

Combined Results (£ millions)

Table showing combined results for 1974 and 1973 across various categories like Sales, Profit, etc.

In spite of a substantial increase in sales value, the second quarter was a difficult one for profits owing to an exceptional combination of adverse factors, especially in Europe...

The combined effect of all these factors was to leave operating profit for the quarter virtually unchanged from the corresponding quarter of 1973.

Over Europe as a whole profits from detergents, edible fats and other foods were down on the second quarter of 1973.

This and future announcements of Unilever Quarterly Results will be reprinted in leaflet form. If you wish to be included in the mailing list for these leaflets, please write to Information Division, Unilever House, London EC4P 4BQ.

London and Regional Market Prices

Heavy fall in Unilever

ACCOUNT DAYS: Dealings Began Aug 5. Dealings End, Aug 16. Contango Day, Aug 19. Settlement Day, Aug 28. Forward bargains are permitted on two previous days.

Chartered Surveyors Weatherall Green & Smith LONDON LEEDS PARIS BRISBANE FRANKFURT

Drummond's Freedom Suits A cut above the rest!

Main market price table with columns for Stock, Price, Div Yld, and various market indices. Includes sections for Commercial and Industrial, Commonwealth and Foreign, Local Authorities, Foreign Stocks, Dollar Stocks, Banks and Discounts, Breweries and Distilleries, Financial Trusts, Shipping, and Regional markets.

Vertical advertisements on the right margin, including 'REPUBLIC OF GHANA', 'INDUSTRIAL INVITATION TO TENDER', and 'LEGAL NOTICE'.

Businesses for Sale
Trade and Undertaking of Company for Sale
The company manufactures and distributes...
The company's turnover for the three months...
All offers considered.
For further information please telephone 01-629 6212

CRAGS HOTEL, CALLANDER, PERTHSHIRE
Small hotel in popular tourist area...
Equities to Wilson, Callander 30257.

Due to Retirement
The established business of...
SARCAIN, Glasgow, can be sold...
For further information please telephone 01-629 6212

Company Notices
The 69th Annual General Meeting...
The Companies Act, 1948...
For further information please telephone 01-629 6212

Republic of Ghana
Ministry of Works and Housing
Tender for pre-qualification of tenderers...
For further information please telephone 01-629 6212

Cratic and Popular Republic of Algeria
Ministry of Industry and Energy
Tender for construction of a plant for the production...
For further information please telephone 01-629 6212

International Invitation to Tender
The Ministry of Industry and Energy...
For further information please telephone 01-629 6212

Legal Notices
In the Matter of the Estate of...
For further information please telephone 01-629 6212

Working Housekeeper (Resident)
Urgently required for a well-to-do family...
For further information please telephone 01-629 6212

Legal Notices
In the Matter of the Estate of...
For further information please telephone 01-629 6212

Scholarships and Fellowships
The University of Southampton
Research Fellowship Mathematics Education
For further information please telephone 01-629 6212

University of Southampton
Institute of Sound and Vibration Research
For further information please telephone 01-629 6212

Educational
Schools and Tutors
For further information please telephone 01-629 6212

Domestic Situations
Old-established Merchant Bank
Directors' Stewards
For further information please telephone 01-629 6212

Nanny or Nanny/Mother's Help
Simon, 3 school months...
For further information please telephone 01-629 6212

Partners Lunches
Mayfair
For further information please telephone 01-629 6212

Experienced Cook
Required for superior household...
For further information please telephone 01-629 6212

Married Couple
Required for house in Mayfair...
For further information please telephone 01-629 6212

Women's Appointments also on page 22
Secretary
(Unable to work normal office hours?)
American Oil Company, newly established in London...
For further information please telephone 01-629 6212

Secretary, Shorthand Typist
International Medical Foundation
Required immediately for a group of doctors...
For further information please telephone 01-629 6212

Secretary
Would you like to work for the Managing Director of Time-Life Books?
For further information please telephone 01-629 6212

Personality Secretary
for Personnel Manager
Young Friendly Assistant Personnel Manager...
For further information please telephone 01-629 6212

Appointments Vacant also on page 11
University Appointments
The University of South Pacific-Fiji
For further information please telephone 01-629 6212

University of Aston in Birmingham
Management Centres
Chair in Operations Management
For further information please telephone 01-629 6212

University of Southampton
Department of Oceanography
Gate Data Analysis
For further information please telephone 01-629 6212

The City University
Counselling Service Counsellor
Applications are invited for the post of...
For further information please telephone 01-629 6212

Women's Appointments Secretarial
Simpson (Piccadilly) Ltd.
A Young Secretary
For further information please telephone 01-629 6212

Secretary/P.A.
M.D. of small but expanding Property Company...
For further information please telephone 01-629 6212

Medical Secretary
Royal Marsden Hospital
For further information please telephone 01-629 6212

Secretary/P.A.
Required by Editor of monthly international journal...
For further information please telephone 01-629 6212

Secretary
Development Manager
Commercial Representative
For further information please telephone 01-629 6212

Secretary
Packaging Design Group
Small friendly group W.I. members...
For further information please telephone 01-629 6212

Secretary
Cookery and Catering
For further information please telephone 01-629 6212

Secretary
Wine Importers seek Executive Director...
For further information please telephone 01-629 6212

Women's Appointments Secretarial
Are you interested in Administration or Personnel?
If so, we have two vacancies in our Administration Department...
For further information please telephone 01-629 6212

Advertising Agency
Secretary/P.A.
A few years later...
For further information please telephone 01-629 6212

Brenda Lomax
01-638 6188
For further information please telephone 01-629 6212

Secretary
Resident Partner of American and European Law Firm...
For further information please telephone 01-629 6212

We Need Temporary Secretaries Urgently
Especially two super girls for these special jobs...
For further information please telephone 01-629 6212

Work and Play
Who says business and pleasure don't mix?...
For further information please telephone 01-629 6212

Work Centre for Disabled
We are looking for an efficient and reliable person...
For further information please telephone 01-629 6212

Assistant in Secretarial Training Centre
This post should attract a Secretary with good education...
For further information please telephone 01-629 6212

Women's Appointments also on page 21

GENERAL

LIBRARIAN

INTERNATIONAL FIRM OF CHARTERED ACCOUNTANTS

seek an intelligent, personable and well-organised person in early 30s to take complete charge of their audit and taxation libraries. The responsibilities include liaison with partners and managers about requirements: ordering, cataloguing and distribution of books and journals; the issue and control of manuals, reports and other reference materials; and providing cuttings, reference and other library services. Previous library experience and ability to type are essential.

Salary range £2,000-£2,500 p.a.

Please telephone Miss Turvey 623 6926 office hours

AN INTERESTING JOB

If you're good at selling, you'll be good at selling... **ROYAL INSTITUTE OF CHEMISTRY**

ADMINISTRATIVE ASSISTANT

aged 24-31 is required for... **RAJINDER SINGH**

MAKE A BEEHIVE FOR BERNADETTE

A bright, young Receptionist/Typist is wanted to work in this pleasant and challenging... **BERNADETTE BUREAU**

NO TIME FOR KNITTING AND NAIL VARNISH!

Our receptionist/bookings/telephoneist never has a dull moment. If you're intelligent, attractive, and unpretentious, with iron nerve in a sweet voice, our hot seat can be yours at London's busiest... **BRUNNEN BUREAU**

TRAINEE FOOD TECHNOLOGIST

Girls with Chemistry at 'O' level to level in the... **BRUNNEN BUREAU**

Receptionist

20/35

We are a busy City Merchant Bank conveniently situated for all City Stations, Underground and Buses. We have the following vacancy in our Main Banking Hall where the hours are 9am/5pm.

THE JOB

- Greeting clients and visitors
- Assistance with typing (IBM Executive)

THE GIRL

- A conventional dress appearance
- A friendly personality
- Accurate typing
- A good memory for files and names
- Measures of common sense and logic

THE REWARDS

- Salary of £1,500
- Threshold payments
- 25% L.V.s
- Good pensional prospects
- Generous House Mortgage Subsidies
- Christmas Bonus
- Season Ticket Loans Interest free!

If you would like to apply, please telephone Miss J. Pedley, on 01-628 6599, or write to her giving full details of Brundts Ltd., 36 Fenchurch St., London, E.C.3.

Brundts
The Merchant Bankers

Young Economist

Around £3000

In order to replace a member of staff who is moving abroad, we are now looking for a young Economist to join the Energy Department at the London Headquarters of the RTZ Group. The main responsibilities of the job are to collect, evaluate and provide the necessary data relating to the world-wide supply and demand position of two metalliferous raw materials.

Ideally, we are looking for an Economics Graduate in her or his late twenties, who has undertaken industrial market research and demand forecasting. Experience in the application of computers would be desirable as would an aptitude for languages as limited overseas travel could be involved.

RTZ

Please write enclosing details of telephone for an application form to: O. W. Westcott, Group Personnel Services Department (Ret.), The Rio Zinc Corporation Limited, 6 St. James's Square, London SW1Y 4LD. Tel: 01-930 2399.

WOMEN'S APPOINTMENTS GENERAL

CREDIT CONTROLLER

c. £2,000 p.a.

Advertising Agency to W.I. urgently seeks someone with experience of Credit Control work. If you've got the ability to be charming but tough with our non-paying clients, and can type your own correspondence, we will reward you well.

Call me now for further details: **MR. GYOKER, 01-493 8455**

SOCIAL HOSTESS ACAPULCO

For leading hotel in Acapulco, Mexico, 23-33 years, experience in public relations, fluent in Spanish, English and third language.

Send resume with recent photo to: **Mrs. Patricia Christina**, Director of Operations Latin America

RAMADA INTERNATIONAL

P.O. Box 690
Phoenix, Arizona 85001 U.S.A.

WINE AND SPIRIT TRADE

Young charming Receptionist will cook sense of humour wanted for prestige offices in B.W.I. Some typing, salary negotiable. L.V.s. To start beginning September.

Telephone: 01-630 9184
J. R. Phillips & Co. Ltd.

EMBASSY STUDENTS DEPARTMENT

Nave vacancy for well educated and intelligent girl on clerical and secretarial duties. Good salary and excellent pension. 10.00-17.00. Please telephone: 01-584 4538

CENTRAL LONDON SOLUTIONS

require young lady assistant with typing ability to train for responsible position. Excellent work environment. Salary £2,000 p.a. with L.V.s. and pension. Good salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

PART-TIME RECEPTIONIST required for small company. Economic hours. 9.30-12.00 hours per week. Monday to Friday only. Excellent conditions. Good salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

CAPABLE LADY preferably with experience in copywriting to manage residential estate development department with selling in central London. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

MARKET RESEARCHER required for well-known residential estate development consultancy. At least 5 years experience in market research. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY/RECEPTIONIST Mature person for congenial Harley St. Practice. Salary £2,000 p.a. with L.V.s. and pension. Excellent working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

PHOTOGRAPHIC ASSISTANT required for Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

IF YOU LIKE MEETING people and can type and do figures you could enjoy the assistant to the manager of a luxury block of serviced apartments in the City. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

PHYSIOLOGICIAN OFFERED opportunity in Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

"A" LEVEL in Physics or Chemistry + a little typing + a super good attitude within a well-known Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

STUDENT GIRLS with or without qualifications for Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

BOOKKEEPER on a part-time basis Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

RICCI BURIES requires experienced bookkeeper for Harley St. Salon. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

Young Economist

Around £3000

RTZ

Please write enclosing details of telephone for an application form to: O. W. Westcott, Group Personnel Services Department (Ret.), The Rio Zinc Corporation Limited, 6 St. James's Square, London SW1Y 4LD. Tel: 01-930 2399.

WOMEN'S APPOINTMENTS SECRETARIAL

PERSONAL SECRETARY

to work for the **CHAIRMAN OF PROPERTY INVESTMENT, MAYFAIR**

My husband is wanting me to work abroad and I am therefore seeking a competent, discreet secretary to fill my position.

We offer an experienced Secretary a friendly atmosphere in a pleasant surroundings where work is varied and interesting. Excellent salary in return for above average skills. Telephone Susan Clemens at 01-629 1306-7.

MANAGING DIRECTOR'S SECRETARY

£2,215-£2,505 plus threshold.

International travel forwarding company. £2,215 plus, with a minimum of 2 years' experience. Knowledge of European languages would be desirable. Apply to: **PICKFORDS INTERNATIONAL LTD.**, RING: 808 150N, 636 8688 ext. 427.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

Young Economist

Around £3000

RTZ

Please write enclosing details of telephone for an application form to: O. W. Westcott, Group Personnel Services Department (Ret.), The Rio Zinc Corporation Limited, 6 St. James's Square, London SW1Y 4LD. Tel: 01-930 2399.

WOMEN'S APPOINTMENTS SECRETARIAL

SECRETARY

WOMEN'S ADVERTISING AND PUBLICITY

If you feel competent to deal with people and look after a busy office you may be the girl we are looking for. Experience of fashion or advertising will be an advantage but common sense and the ability to work on own initiative is more important.

Good shorthand and typing speeds essential.

We offer an excellent salary plus L.V.s and generous store discounts.

Telephone us now to arrange an interview: **Personnel Department**

AQUASCUTUM LIMITED

100 REGENT STREET, LONDON W1A 2AQ
01-734 6090, EXT. 216

SECRETARY

American Oil Company, newly established in London, requires a Super Secretary for the Managing Director's office, located in new luxury premises in Knightsbridge.

Typing/Shorthand and all usual secretarial skills are required. This is a challenging position requiring initiative and drive.

Salary will be in the range £2,300 plus, and L.V.s.

Applicants should apply in writing with CV to Box 1424-D, The Times.

PERSONNEL ADMINISTRATOR

£1,900

We have a vacancy for a young lady to assist in the running of our Personnel Department in Stockport. The job will demand a high level of initiative and the selected applicant will be responsible for a range of personnel duties including interviewing and selection, administration of staff, maintenance of personnel records, and general enquiries as well as an ability to take responsibility. This will be ample opportunity for advancement for the right applicant.

Please apply in writing to: **JOINT MANAGING DIRECTOR, WILLIAMS & GLYNN BANK LTD., STOCKPORT, CHESHIRE, SK7 5YA.**

SECRETARY

up to £2,500

Top class Secretary, aged between 22 and 35, required for Group Accounts and Finance in Harley St. office. Good shorthand and typing skills are essential and she must be willing to type during the day. The job involves a lot of travel to and from Harley St. office with all expenses paid. Salary up to £2,500 plus generous benefits. Please ring or telephone, quoting reference A.202, to: **Mrs. Diana Waters, Personnel Department, WILLIAMS & GLYNN BANK LIMITED, 5-10 GREAT TOWER STREET, LONDON EC3 5DH. TEL: 01-626 3270**

SECRETARY/RESEARCH ASSISTANT

Two journalists on national newspaper seek Secretary/Research Assistant. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

SECRETARY

Salary £2,500

Director of rapidly expanding young business requires a top class Secretary. P.A. and administrative duties. Excellent salary and pension offered. Good working conditions. Please apply to: **Central London Solutions**, 100, Strand, London, W.C.2R. Tel: 01-437 9965. Ref: G.S.R.

Young Economist

Around £3000

RTZ

Please write enclosing details of telephone for an application form to: O. W. Westcott, Group Personnel Services Department (Ret.), The Rio Zinc Corporation Limited, 6 St. James's Square, London SW1Y 4LD. Tel: 01-930 2399.

RENTALS

Luxury Chelsea

Spacious 4 bedroom flat with full kitchen, living room, dining room, study, bathroom, terrace, garden, parking, etc. Call 01-498 4222

KNIGHTSBRIDGE KENSINGTON

100 Regent Street, London W1A 2AQ
01-734 6090, EXT. 216

HOLLOWAY ROAD

A luxury self-contained flat available in Holloway Road, London N16. 2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

UNFURNISHED PART FURNISH FULLY FURNISH

An exciting new development in Holloway Road, London N16. 2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

UNFURNISHED HOUSE

2 bedrooms, 1 bath, 1 kitchen, 1 living room, 1 study, 1 terrace, 1 garden, 1 parking space. Call 01-498 4222

PHILIPS KAY & Co.

01-629 8811

Young Economist

Around £3000

RTZ

Please write enclosing details of telephone for an application form to: O. W. Westcott, Group Personnel Services Department (Ret.), The Rio Zinc Corporation Limited, 6 St. James's Square, London SW1Y 4LD. Tel: 01-930 2399.

مكتبة الأصدقاء

Motoring

Public image of motor industry

It is a widespread misconception that the motives of the Institute of Motorists...



The Range-Rover: it does almost 20 mpg if you are careful.

with skillful, but not exhibitionist, use of the car. About eight thousand candidates are tested each year...

Car test: Range Rover

For several years Rover resisted suggestions that the Range Rover should be made available with power-assisted steering...

Grippy Japanese

The first Japanese cars to reach Britain were hair-raising to drive in the rain because their cross-ply tyres had such a poor wet grip...

Stuart Marshall

Motor Show Place

Advertisement for BMW Park Lane with a quote: "If you're going to trade your car in, go to BMW Park Lane - they gave me a fantastic deal!"

Advertisement for CHIPSTEAD FOR THE FINEST EUROPEAN CARS, listing various car models and prices.

Advertisement for The Chequered Flag, London's leading sports car specialists.

Advertisement for Volvo NEW VOLVOS, listing models like 740 GLE and 740 GTC.

Advertisement for MERCEDES BENZ 250SE, featuring a photo of the car.

Advertisement for MERCEDES BENZ 280E, listing features like 2800 cc engine and automatic transmission.

Advertisement for CHIPSTEAD OF KENSINGTON, listing main offices and showrooms.

Advertisement for MOTOR TUNE LTD., offering services like oil changes and engine tuning.

Advertisement for NORMAND CONTINENTAL LTD., featuring Audi and VW cars.

Advertisement for J.D. BARCLAY OF OXFORD, listing various car models.

Advertisement for SUPERB HIGH PERFORMANCE JENSEN S.F., listing high-performance cars.

Advertisement for SILVER SHADOW, listing features like 1800 cc engine and leather interior.

Advertisement for GERALD CAMPS WEST COUNTRY, listing various car models.

Advertisement for TO YOU £3,700, listing a Jaguar XJ6 4.2.

Advertisement for ROLLS-ROYCE SILVER GHOST, listing features like 3.0 litre engine.

Advertisement for ROLLS-ROYCE SILVER SHADOW 1970, listing features like 4.9 litre engine.

Advertisement for BENTLEY S3 1964, listing features like 6.0 litre engine.

Advertisement for BENTLEY S3 1964, listing features like 6.0 litre engine.

Advertisement for ROLLS-ROYCE SILVER SHADOW 1970, listing features like 4.9 litre engine.

Television

estate, pressures from within and without for the old order to change and reliable... Jacques Cousteau visits the Galapagos Islands (BBC1 8.10) while John Julius is in Turkey (BBC2 8.0).

BBC 2: 10.05, Dakari. 6.40 am, Open University: Cricker, Gillette People and Organizations...

Thames: 10.00 am, Cooking Without. 10.05, Country. 10.30, A Farwell to Trams...

ATV: 10.00 am, A Place in the Country. 10.30, Tomfoolery Show. 10.50, Carat...

Westward: 10.05 am, Alpacas. 10.30 am, Good Guy. 11.00 am, The Times. 11.30 am, The Pathefinders...

HTV: 10.05 am, Talks. 10.30 am, Women Only. 11.00 am, The Times. 11.30 am, The Pathefinders...

Southern: 10.00 am, ATV. 10.25, Harry Hamster. 10.35, Thames. 12.00, Southern News...

Anglia: 10.05 am, Elephant. 10.30 am, The Times. 11.00 am, The Pathefinders...

Radio: 5.00 am, News. 5.15 am, News. 5.30 am, News. 5.45 am, News...

Radio: 8.30, Eurogaming. 7.00, Working Week. 8.00, The Arts. 8.30, Today's Paper...

Grampian: 10.00 am, News. 10.30 am, News. 11.00 am, News. 11.30 am, News...

Grampian: 10.00 am, News. 10.30 am, News. 11.00 am, News. 11.30 am, News...

Grampian: 10.00 am, News. 10.30 am, News. 11.00 am, News. 11.30 am, News...

RENTALS: BELGRAVE SQUARE, LUXURY 5 bedroom house with swimming pool.

RENTALS: W.1. New luxury flat, central location, fully furnished.

RENTALS: BELGRAVIA, Top floor furnished flat, central location.

FOR SALE AND WANTED: The Colour Centre, remote control and portable colour TV.

RENTALS: PRIVATE RESIDENTIAL HOUSE, 50 rooms, central location.

RENTALS: EXTENSIVE RANGE PLATS, 1200 sq ft, fully furnished.

RENTALS: W.1. Upper 2 bedrooms flat, fully furnished.

RENTALS: DOUGLAS MEINERS, London's best furnished flats and houses.

RENTALS: KENSINGTON/GNELSEA, An independent house, fully furnished.

RENTALS: SUPERIOR FLATS/HOUSES available and required for diplomats.

RENTALS: FERRIER & OAVES, One of London's most prestigious agents.

RENTALS: OVERSEAS VISITORS, Luxury flat, fully furnished.



To place an advertisement in any of these categories list...

Box No replies should be addressed to...

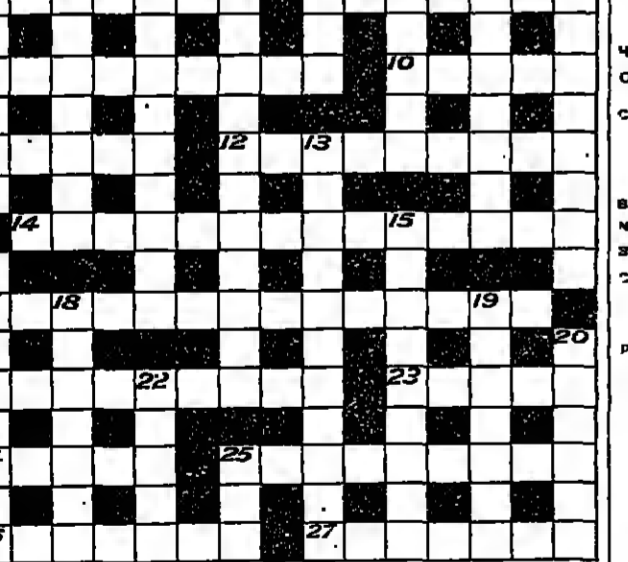
BIRTHS AGNEW-On 11th August, 1974, at...

BIRTHS AGNEW-On 11th August, 1974, at...

MARRIAGES DESSROU-RAU-In Paris, on 12th...

DEATHS BACKHOUSE-On August 13th at...

The Times Crossword Puzzle No 13,764



ACROSS 1 Often pressed to make a report (7)...

PERSONAL COLUMNS

also on page 23

ANNOUNCEMENTS MARLENE DIETRICH AT GROVENOR HOUSE

HOLIDAYS AND VILLAS WOULD readers please note that the letters ATOL...

HOLIDAYS AND VILLAS FLY: IT COSTS LESS FOR MORE

HOLIDAYS AND VILLAS SKI THOMSON IN ANDORRA

HOLIDAYS AND VILLAS THOMSON WINTERSPORTS HOLIDAYS

HOLIDAYS AND VILLAS AFRICA SPECIALISTS

HOLIDAYS AND VILLAS MENOCCA, ALGARVE, CORFU, SPAIN

HOLIDAYS AND VILLAS MOROCCO

HOLIDAYS AND VILLAS AUSTRALIA NEW ZEALAND

HOLIDAYS AND VILLAS CHRISTINA & DUFENES

HOLIDAYS AND VILLAS GO GREEK NEXT WEEK IN CRETE OR CORFU

HOLIDAYS AND VILLAS GREECE AND SPAIN

HOLIDAYS AND VILLAS FREEDOM HOLIDAYS

HOLIDAYS AND VILLAS UNDER 25? Then into one of our...

HOLIDAYS AND VILLAS OVERLAND TRIPS

HOLIDAYS AND VILLAS CANARY ISLANDS-HELLO SUN!

HOLIDAYS AND VILLAS SYDNEY FROM £100

HOLIDAYS AND VILLAS EUROPEAN AND WORLDWIDE

HOLIDAYS AND VILLAS AFRICA-SOUTH, East and West

HOLIDAYS AND VILLAS VILLAS IN GREECE

HOLIDAYS AND VILLAS EXPOSITIONS TO KATYMANOLO

HOLIDAYS AND VILLAS SOUTH AFRICAN HOLIDAYS

ANNOUNCEMENTS MARLENE DIETRICH AT GROVENOR HOUSE

HOLIDAYS AND VILLAS WOULD readers please note that the letters ATOL...

HOLIDAYS AND VILLAS FLY: IT COSTS LESS FOR MORE

HOLIDAYS AND VILLAS SKI THOMSON IN ANDORRA

HOLIDAYS AND VILLAS THOMSON WINTERSPORTS HOLIDAYS

HOLIDAYS AND VILLAS AFRICA SPECIALISTS

HOLIDAYS AND VILLAS MENOCCA, ALGARVE, CORFU, SPAIN

HOLIDAYS AND VILLAS MOROCCO

HOLIDAYS AND VILLAS AUSTRALIA NEW ZEALAND

HOLIDAYS AND VILLAS CHRISTINA & DUFENES

HOLIDAYS AND VILLAS GO GREEK NEXT WEEK IN CRETE OR CORFU

HOLIDAYS AND VILLAS GREECE AND SPAIN

HOLIDAYS AND VILLAS FREEDOM HOLIDAYS

HOLIDAYS AND VILLAS UNDER 25? Then into one of our...

HOLIDAYS AND VILLAS OVERLAND TRIPS

HOLIDAYS AND VILLAS CANARY ISLANDS-HELLO SUN!

HOLIDAYS AND VILLAS SYDNEY FROM £100

HOLIDAYS AND VILLAS EUROPEAN AND WORLDWIDE

HOLIDAYS AND VILLAS AFRICA-SOUTH, East and West

HOLIDAYS AND VILLAS VILLAS IN GREECE

HOLIDAYS AND VILLAS EXPOSITIONS TO KATYMANOLO

HOLIDAYS AND VILLAS SOUTH AFRICAN HOLIDAYS

HOLIDAYS AND VILLAS

Villas made available 12-18 days...

TRAVEL CENTRE TO Adelaide, Auckland, Brisbane, Perth...

WHEN FLYING contact with us for low fares to 115 Air...

MOROCCO Have a fabulous summer holiday...

TICKETS TO MOST DESTINATIONS New Zealand, South Africa...

NAIROBI, DAR ES SALAAM JOHANNESBURG For low fares and guaranteed departures...

AUSTRALIA NEW ZEALAND via Newcastle and Tokyo from £215...

CHRISTINA & DUFENES Three are the new C.P.T. villas in Greece...

GO GREEK NEXT WEEK IN CRETE OR CORFU Luxurious private villa on beach...

GREECE AND SPAIN Beach Club Camps Hotel in Greece & Spain...

FREEDOM HOLIDAYS Book your 12, 14, 16, 18, 20, 22, 24, 26, 28, 30 day holiday...

UNDER 25? Then into one of our great holiday centres...

OVERLAND TRIPS with small freedom seeking teams...

CANARY ISLANDS-HELLO SUN! Flights, hotels, transfers...

SYDNEY FROM £100 Brisbane from £200, Auckland from £220...

EUROPEAN AND WORLDWIDE Economy flights, 1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30...

AFRICA-SOUTH, East and West all the most desirable areas...

VILLAS IN GREECE on lovely islands, some villages, some hotels...

EXPOSITIONS TO KATYMANOLO 25 days in the heart of Greece...

SOUTH AFRICAN HOLIDAYS 14-16-18-20-22-24-26-28-30 days...

COASTAL COACHES to Spain, Portugal, France, Italy, Greece, Turkey, Cyprus...

Advertisement for 'Fish vic edge' featuring a fish and text about 'fish vic edge' and 'RAI conf'.

END OF SEASON SALE ZIG ZAG 100 New Bond St., W.1